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FBI AUTHORIZATION REQUEST FOR FISCAL YEAR 1987

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HEARINGS

BEFORE THE

SUBCOMMITTEE ON CIVIL AND CONSTITUTIONAL RIGHTS

OF THE

COMMITTEE ON THE JUDICIARY HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

SECOND SESSION

ON

FBI AUTHORIZATION REQUEST FOR FISCAL YEAR 1987

MARCH 14 AND 24, 1986

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FBI AUTHORIZATION REQUEST FOR FISCAL YEAR 1987

FRIDAY, MARCH 14, 1986

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON CIVIL AND CONSTITUTIONAL RIGHTS,
COMMITTEE ON THE JUDICIARY,
Washington, DC.

The subcommittee met, pursuant to call, at 9:40 a.m., in room 2237, Rayburn House Office Building, Hon. Don Edwards (chairman of the subcommittee) presiding.

Present: Representatives Edwards, Kastenmeier, and Conyers.

Staff present: James X. Dempsey, assistant counsel; and Alan M. Slobodin, associate counsel.

Mr. EDWARDS. The Subcommittee on Civil and Constitutional Rights of the Committee on the Judiciary will come to order.

This morning, we begin our annual oversight authorization hearings for the FBI. These hearings give us an opportunity to review the Bureau's accomplishments in the past year and to learn more about its plans for the coming year.

The year 1985 was busy and sometimes difficult for the Bureau. The FBI's counterespionage efforts produced arrests of almost a dozen alleged spies. At the same time, the Bureau was not immune from espionage itself, as one of its own agents went on trial for selling secrets to the Soviets.

In the domestic terrorism area, the Bureau continued to make important arrests in its careful but intensive campaign against terrorism.

We should recognize, as well, the Bureau's impressive work against organized crime and drugs. The Jackie Presser matter raised questions once more about the Bureau's Informant Program, and the investigation of certain peace groups is troubling.

On balance, though, it was another banner year for the FBI.

For fiscal year 1987, despite Gramm-Rudman, the Bureau seeks an increase of $85 million. Increases are being sought in foreign counterintelligence, general support services, for the Voice Privacy Program, and to develop artificial intelligence capabilities.

We are pleased to have with us this morning Judge Webster. But before I introduce Judge Webster, does the gentleman from Michigan, Mr. Conyers, have an opening statement?

Mr. CONYERS. No, I don't.

Mr. EDWARDS. To review the past year and to look at the budget request for fiscal year 1987, we have before us this morning the Di-

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rector of the FBI, Judge Webster. Judge Webster is highly regarded by this subcommittee. We welcome him again this morning.

Judge Webster, I believe you know that the Judiciary Committee now has a policy of swearing in witnesses. Do you solemnly swear or affirm the testimony you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. WEBSTER. I do.

TESTIMONY OF WILLIAM H. WEBSTER, DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

Mr. WEBSTER. Thank you, Mr. Chairman and members of the subcommittee.

Thank you, Mr. Chairman, for your opening remarks. I am pleased to appear before you at the annual authorization and oversight hearing for the Federal Bureau of Investigation. My opening remarks concern the FBI's accomplishments during the past year, our future needs, and some of the progressive measures we are taking to continue increasing our effectiveness.

As you know, for fiscal year 1987 we are requesting $1,278,410,000 in direct funding, and 22,430 permanent positions. This request includes 469 permanent positions for field general support employees, which are urgently needed by the FBI in order to accomplish routine and expedite typing and other general support functions.

An additional 44 positions will enable the FBI to continue the implementation of its long range automation strategy which calls for a fully integrated, distributed data system which will span the interests of FBI information users in the field divisions and at FBI headquarters. The remaining number of permanent positions requested will be utilized to support our priority investigative programs.

We believe that these additional positions will increase our effectiveness in the criminal, foreign counterintelligence, and investigative support programs.

Mr. Chairman, time does not permit me to discuss all of the Bureau's investigative accomplishments over the past year. I would, however, like to highlight some of our more significant efforts.

As in the past 3 years, the FBI has invested the majority of our allocated resources in the investigative areas we have designated as national priority programs—terrorism, organized crime, white collar crime, and foreign counterintelligence. That investment has paid significant dividends for the FBI and, ultimately, for the American people as demonstrated by our accomplishments.

In the face of heightened concerns about terrorism worldwide, the number of actual incidents perpetrated by terrorists in the United States declined for the fourth consecutive year to only seven. While numbers alone do not necessarily portray the true nature of the terrorist threat, the amount of violence actually prevented gives some measure of accomplishment.

As I had earlier testified before you in your hearing on terrorism, there were in 1985 23 planned acts which were interdicted through investigative activity. Included were plots to assassinate the Prime Minister of India and a high level Indian Government

minister; to murder cooperating witnesses in the *Aryan Nations* case; to kill at least three anti-Qadhafi Libyan dissidents; and to bomb 14 buildings, including the Old Executive Office Building.

In 1985, the FBI Terrorism Program recorded 89 arrests and 48 convictions against members of terrorist groups. This compares with 16 arrests and 21 convictions in 1984. Among the FBI's successes in this area are the arrests of six individuals in connection with a scheme to acquire weapons for Iran to be used in terrorist activities in the Middle East, and the arrests of four Sikh individuals in connection with the previously mentioned plot to assassinate the chief minister of an Indian state and the Prime Minister of India.

In the area of domestic terrorism, successes include the indictment and subsequent conviction in New York of nine individuals associated with the New Afrikan Freedom Fighters; the March 12, 1985 indictment of seven individuals in connection with 11 bombing incidents attributed to the United Freedom Front; the April 24, 1985 apprehension of Top Ten Fugitive Thomas William Manning of the United Freedom Front and his wife; and the August 23, 1985 indictments of 17 individuals connected to the Puerto Rican terrorist group EPB-Macheteros for their role in the $7 million robbery of the Wells Fargo terminal in West Hartford, CT. Fourteen of the Macheteros subjects were arrested, and 37 search warrants were executed.

Finally, as of January 7, 1986, 37 individuals associated with the Aryan Nations and "The Order" have been arrested for various criminal activities.

The year 1985 also saw the FBI, for the first time, operationally active in the terrorism area on an international scale. By virtue of the newly enacted "Act Against Hostage Taking," the Bureau assumed a leading role in the investigation of crimes such as the hijacking of the ship *Achille Lauro* and TWA flight 847. These matters required a tremendous amount of headquarters coordination and the travel of agents to Europe and the Middle East to collect evidence and to conduct interviews.

To achieve these results, by necessity we have continued to reallocate our resources and have continued to upgrade our analytical capability in this area through the Terrorist Research and Analytical Center at FBI headquarters. Given recent trends in international affairs, it is likely that the terrorist threat to Americans both at home and abroad will continue to be significant through 1986. It is our intention to allocate the necessary resources to the Terrorism Program and to continue measures designed to improve our capabilities in this important area.

The FBI's Organized Crime Program investigates violations of criminal law by those individuals who are members of, or associates of, the major organized crime groups operating throughout the Nation. Organized crime groups use violence, threats of violence, corrupt public officials, graft, and extortion to reap enormous illegal profits. Their illegal operations adversely affect the social and financial framework of American society, and are evident on both a regional and national basis.

These groups are either the traditional organized crime families, including the La Cosa Nostra, LCN, and the Sicilian Mafia, or

emerging groups, such as the outlaw motorcycle gangs and Oriental organized crime groups. Those also included in the emerging groups are organizations controlling major segments of the illegal drug markets, such as the Colombian cocaine cartels and Mexican drug trafficking organizations.

Our investigations have demonstrated that organized groups have moved from the traditional racketeering activities into extensive drug trafficking. With the Attorney General's delegation to the FBI of concurrent jurisdiction for violations of the Controlled Substance Act, the FBI expanded its investigative effort to address those groups responsible for drug violations.

During fiscal year 1985, our organized crime investigations resulted in 2,966 convictions and 3,801 indictments. Included in these totals are 1,365 convictions and 1,940 indictments obtained in the Organized Crime Drug Enforcement Task Force investigations. These accomplishments have formed the basis for new major initiatives designed to ensure that our efforts to control organized criminal activity continue to be effective.

Mere numbers, however, do not adequately describe the effect we have and are continuing to have on organized crime. The LCN hierarchy throughout the country has been affected by this effort. Just last month, in Boston, the underboss of the New England LCN and four of his top associates were convicted. Other LCN members in New England have been charged with controlling part of the New England casino junket industry.

In New York, a series of prosecutions are in various stages of completion charging the LCN hierarchy with illegally influencing the moving and storage industry, the air freight industry, the construction industry, the drywall subcontracting industry, the waste disposal industry, and the food service industry. Among these prosecutions are those charging the families with being illegal enterprises and charging the New York LCN Commission with illegally influencing the construction industry.

In Cleveland, the vast majority of the LCN is incarcerated. In fact, the former underboss of the Cleveland LCN is now cooperating with the Government. In Milwaukee, Kansas City, Chicago, New Orleans, and Denver, LCN bosses are incarcerated. As you can see, we have momentum and we will continue to keep the pressure on these high impact criminals.

The White Collar Crimes Program has three major investigative priorities: governmental fraud, public corruption, and financial crimes. White collar crimes can be generally defined as fraud and/or bribery not involving violence which infringes a governmental, public, or private trust. These cases have a major impact upon our society, particularly when the allegations involve fraud in Government procurement transactions, bribery of an important elected official, or fraud-related bank failures.

In 1985, 4,492 individuals were convicted or entered pretrial diversion programs. Thus, recoveries, restrictions, and court-ordered forfeitures totaled $572 million.

Included in these accomplishments are the conviction of a former Mississippi State senator on bribery charges; the conviction of a subcontractor on the Stealth bomber project on defense procurement fraud charges in Glendale, CA; the governmental fraud con-

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viction of the former Deputy Mayor for Economic Development in the District of Columbia; the conviction for corruption-related violations of a justice of the New York State Supreme Court; the convictions on corruption-related charges of a former Oklahoma State senator and his wife; and the sentencing of the chief executive officer of the former United American Bank of Knoxville to three concurrent 20-year sentences following his conviction on bank fraud-related charges.

A former financial consultant in Hawaii was sentenced to 80 years following his conviction on financial fraud matters. This one individual was accused of defrauding approximately 400 investors of over $22 million.

In calendar year 1985, 175 banks and savings and loan institutions failed or were reorganized following insolvency. Many of these failures were caused by frauds and embezzlements committed by officers, owners, or major stockholders and are under investigation by the FBI.

On April 2, 1985, the Attorney General and I signed an agreement with the various Federal bank regulatory agencies that will result in better coordination on bank fraud matters, particularly bank failures resulting from insider fraud.

Mr. Chairman, I am not at liberty to discuss in detail our Foreign Counterintelligence Program; however, I would like to assure you, the subcommittee members, and the American people that the FBI is committed to this program. The growing number of officials, tourists, commercial representatives, and students in the United States from the Soviet Union, the Soviet-bloc countries, Cuba, and the People's Republic of China mandates that we intensify our efforts to identify foreign intelligence officers and neutralize their efforts.

We have had our recent publicized successes; however, recent published reports of successful espionage activities by hostile intelligence services in this and other countries demonstrate to everyone that there is a real and continuing threat to the security of the United States.

The increase in personnel and material resources in support of our foreign counterintelligence program contributed to an exceptionally successful year in terms of arrests and convictions. During 1985, a total of 11 individuals were arrested on espionage charges. Of those charged, seven have been convicted and four cases are pending. In 1985, an additional nine individuals arrested prior to 1985 were convicted of espionage or related offenses.

Although not designated as a national priority program, a very important investigative area is the General Crimes Program. This program substantially contributes to the Federal Government's initiatives to augment local law enforcement's efforts to combat "violent street crime." Our efforts involve investigations in two major areas: Personal crimes, such as bank robbery, extortion, kidnapping, assaults on Federal officials, and tampering with consumer products; and property crimes, involving an interstate element in the theft and/or transportation of valuable property, such as motor vehicles, jewelry and artwork. These crimes have a great emotional and monetary impact on the business world and general public.

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Investigative efforts in the General Crimes Program by the FBI in 1985 resulted in the conviction of 4,408 persons in Federal court, 38 percent of the FBI's total convictions, and another 1,019 subjects in State or local cases. In addition, stolen or illegally possessed property valued at $167,401,552 was recovered, and fines levied in Federal court against convicted subjects totaled $5,870,806.

Included in the General Crimes Program is the management of the FBI's Fugitive Program involving substantive fugitive cases, as well as individuals charged under the Fugitive Felon Act.

During 1985, the FBI arrested or located 10,180 fugitives which included 1,228 individuals charged under the Fugitive Felon Act. These very noteworthy accomplishments were achieved in a program that utilized only about 12 percent of the FBI's personnel resources.

Despite our past accomplishments, we realize that reevaluation of our investigative priorities and techniques and development of new investigative tools are a necessity to stay abreast of the evolving trends in criminal activity. Computerization of priority investigative program data, and the resultant analytical capability that that process provides are critically essential today.

The FBI-managed National Crime Information Center, NCIC, currently provides the FBI, and approximately 62,000 other Federal, State, and local criminal justice agencies, with an important tool in the investigation of the thefts of property and the location of wanted and missing individuals. NCIC, since its inception, has continued to be more responsive to criminal justice requirements.

The Interstate Identification Index, conceived in 1978 and implemented in a testing mode in 1983, provides NCIC users with access to approximately 9 million criminal arrest records originating from some 17,000 law enforcement and criminal justice agencies. Interstate Identification Index, which is still in the testing phase, would decentralize the FBI's recordkeeping responsibility and would serve as a "pointer" system that would identify where records could be obtained.

Currently, 17 States are participating in Interstate Identification Index testing. The design of an improved NCIC system has recently begun with the award of a contract to the Mitre Corp. We are planning for the latest in automated technology, quality assurance techniques, and security mechanisms in the NCIC system in the future.

One of the most important support functions to Federal and local law enforcement efforts is our Forensic Services Program. In 1985, under this program, the FBI laboratory conducted 1,149,861 examinations on evidence specimens submitted in connection with 18,320 cases. Of these examinations, approximately 67 percent were in support of Federal investigations and the remainder were in support of investigations conducted by State and local law enforcement agencies.

More than 1,900 workdays were spent in providing court testimony in support of these examinations. This program also provides scientific and technical support to ongoing FBI and DEA investigations and provides demonstrative evidence such as court charts and models to assist with Federal prosecutions.

The FBI's increased allocation of resources to the National Priority Programs of Terrorism, Organized Crime, White Collar Crime and Foreign Counterintelligence have significantly increased the workload of our general support employees. These complex investigations have a domino effect on the administrative support personnel who are required for filing, indexing, transcribing tapes, typing, and additional handling of evidence.

The development of innovative investigative techniques and the computerization of priority investigative techniques and investigative program data have made it necessary to develop specialist positions, such as the Organized Crime Information System and Intelligence Information System Analysts to review, analyze, and evaluate investigative data. It has also become necessary to have electronic technicians to maintain these systems

These specialist positions have come at the expense of our field office general support. Therefore, a major thrust of our requests for fiscal year 1987 is to counter this growing lack of general support employees available in the field offices. This lack of adequate general support staffing for the investigative personnel causes serious problems, such as the inability to get expedited or routine typing or other general clerical functions accomplished.

Mr. Chairman, this concludes my prepared remarks, and I am now ready and pleased to respond to your questions.

Mr. EDWARDS. Thank you very much, Judge Webster.

The gentleman from Michigan is the chairman of the Judiciary Committee's Criminal Justice Subcommittee, and has a keen interest in the work of the FBI. I recognize the gentleman from Michigan, Mr. Conyers.

Mr. CONYERS. Thank you very much, Mr. Chairman.

Thanks, Judge Webster, for coming again. Let me ask you about the affirmative action policy in the Federal Bureau of Investigation.

You told us last time that there was a good deal of attention being paid to this area. I would just like to get as much of an update as we can; and if you prefer, we can follow up after the hearing if you would like.

Mr. WEBSTER. I would like to respond for the record where we stand in our program, if you would care for me to. I pulled out a card I carry with my credentials because I like not only to be able to respond to that question but remind field offices and others when I travel that we consider it a very high item in our efforts.

Our latest figures—and I think there are even more later ones, because this is as of January 31—reflect that the number of black special agents has gone from 144, when I came onboard, to 352; the number of Hispanics, from 155 to 346; the number of American Indians has gone from 15 to 38; the number of Asian-Americans has gone from 34 to 101; and the number of female special agents has gone from 94 to 649.

This effort continues in each of our new agent classes. I would say that the number of female agents coming in ranges in the 20 percent, and other minorities another 20, and upward of 40 percent of our new agent classes consist of females and minority new agents.

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I might say that the new agent classes, the composition of those classes, including their occupational and professional background and special skills, are identified in the field by an ongoing continuing survey of what each field office perceives its needs to be. So, this is not a question of thrusting a program on the field any more than it ever was; it is a question of responding to the field's perceived needs.

I am very pleased that it is going forward in this way.

Mr. CONYERS. In Detroit, for the first time we had a black agent that was the head of the office there.

Mr. WEBSTER. Yes.

Mr. CONYERS. And I think that along with the increased number, of course, goes the necessity of making sure that the affirmative action concept with regards to promotion and assignment follows the inclusion of larger numbers of people from all backgrounds.

Mr. WEBSTER. I agree with that completely, Congressman Conyers. I follow the principle that supervisory personnel should come from the ranks in the training with few exceptions of a technical nature, the technical people; and the official to whom you refer in Detroit has now been promoted to one of our flagship offices, Philadelphia. The Assistant Director in charge of Inspections, one of our most important and sensitive assignments, is a career black special agent.

The new black special agent appointment to head the Springfield, IL, office, Tom Jones, was just announced recently.

The Deputy Assistant Director for our Technical Services Division is a black female—very competent—noncareer, incidentally, but we are very fortunate to have her.

You might be interested to know that I follow to see whether or not minorities and females are participating in the Career Development Program and have those opportunities, and while we cannot really come up with statistically meaningful figures on the females, it is very clear that black special agents are participating in statistically larger percentages than nonblacks in the Career Development Program.

Mr. CONYERS. Thank you very much.

The war against drugs is a very difficult one. I work with Congressman Rangel of the Narcotics Committee, and of course in my subcommittee this subject comes up constantly.

Can you give us a thumbnail update on our national endeavors against the drug empire?

Mr. WEBSTER. I am afraid a thumbnail one is impossible. I will try. I will try to characterize it in this way.

We are seizing more drugs, making more arrests, obtaining more convictions than at any time in our history. But there has not been a significant reduction in the supply of drugs coming into this country.

I am afraid my answer will be too long if I went into the "why."

Mr. CONYERS. Please take your time. We only see each other once a year in this setting, so——

Mr. WEBSTER. Fine.

I have just returned from a trip to the Far East, and in the course of that trip I visited the poppy fields above Chiang Rai, which is part of the Golden Triangle, talked to the hill tribesmen,

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observed the efforts of the Thai Army to eradicate these fields, which are the beginning of opium and heroin, and the United Nations and other groups that are present up there, including the Drug Enforcement Administration, to help sell the concept of alternative crops similar to our approach in Turkey.

It is a much more difficult process, because Turkey's culture permitted a more repressive approach than I think is possible in Thailand. But I came away with a heightened sensitivity to how difficult it is to change an entire culture that relies on production of these source materials.

We are making some progress up there, but it is not, as I have said in the past, a sport for the shortwinded. It will take a lot of time.

Everything we do to reduce the production of drugs is that much easier for the rest of us who have to deal with eliminating the distribution of drugs.

The concerted effort to interdict drugs continues. I think it is going through some refining processes now. The EPIC center is getting better as far as gathering intelligence. The military, at least before Gramm-Rudman, continued to support the effort.

I hope that that will not be an excuse or a reason or a circumstance that causes reductions in the military assistance, because that is not one of the—that is not at the top of the national defense priority in their point of view.

We have made significant breakups of major organizations. The best example of that is the identification and indictment and current prosecution of the Sicilian faction, sometimes known as the Pizza Connection, the Battle Emente case, in terms of heroin.

Our major problem—already our major problem; it is clearly our No. 1 problem for the future—is cocaine, and the supply of cocaine does not diminish. The cost seems to be going down; larger numbers of young people are viewing it as a drug of choice, where before it had always been priced outside their market.

While we see successes in marijuana with younger children turning away from marijuana, there is reason to be concerned about their moving toward cocaine.

What I have just said in a little less—more than thumbnail sketch—is only 50 percent of the equation. I am absolutely convinced, as I have been for some time, that demand for drugs is at least 50 percent of the problem and provides 50 percent of the solution. It is not enough—not enough has been done to educate the public on the horrors of drug usage and drug abuse, and a good deal needs to be done by everyone concerned.

The law enforcement community has sponsored sports drug awareness programs and other efforts to bring these facts to those, especially the younger people who represent the future for us. But—and Mrs. Reagan's program has had a tremendous impact in galvanizing parents. But I still believe that in this area, which has been so much an area of deniability, nobody wants to think about it in terms of themselves. It is somebody else's problem; it is not my town; it is not my school; it is not my child. And the process of making people focus on this, this is a here and now problem that needs to be dealt with. It has been a tough one.

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I think that that resistance accounts for the slowness in dealing with the problem. I am convinced that until we reduce demand, there will always be supply no matter how successful we are in prosecuting those who bring drugs into our country and distribute them here.

Mr. EDWARDS. The time of the gentleman in the first round has expired.

The gentleman from Wisconsin, another subcommittee Chair, is recognized, Mr. Kastenmeier.

Mr. KASTENMEIER. Thank you, Mr. Chairman.

I am pleased to see you, Judge Webster.

Mr. WEBSTER. Thank you.

Mr. KASTENMEIER. In terms of the budget, Judge Webster, when you testified 2 weeks ago before this subcommittee on terrorism, you said you thought the Bureau could abide the Gramm-Rudman cuts, at least for 1986.

I don't recall whether you were referring to just terrorism or to the budget impact on the Bureau as a whole, but what, in fact, was the impact of the March 1 Gramm-Rudman cuts on the Bureau?

Mr. WEBSTER. About $52 million, Congressman Kastenmeier.

Mr. KASTENMEIER. $52 million.

Was that a 4.3-percent cut?

Mr. WEBSTER. That was the 4.3 percent.

Thanks to this committee's willingness—and the Appropriations Committee—to allow us some discretion in dealing with it, these cuts were taken in places which had the least impact on our Foreign Counterintelligence and Terrorism Programs. It does represent some reduction in effort, but one I think we can live with this time around. 1987 is ominous.

Mr. KASTENMEIER. Well, of course I have always been impressed with your testimony that terrorism has been adequately handled at least in this country; that the Bureau has had very good luck. There has not been a high incidence of it since 1984, and I take it that was in large measure because of the measures you have taken.

Mr. WEBSTER. The Bureau has contributed to that.

Mr. KASTENMEIER. But it did not bear out some of the anxiety some of my colleagues have about the subject.

Mr. WEBSTER. That is true.

Mr. KASTENMEIER. In this connection, as far as the 1987 budget, you projected an increase overall of 7 percent. That is consistent with the increases for the Department of Justice, which the administration determined would have a priority rather than like many other domestic programs, which will be cut back very substantially.

I do not know what the Congress will do, but I observe that Chairman Rodino has introduced an authorization bill which would freeze Bureau funding—I don't know what it does to the rest of the Justice Department—at the fiscal year 1986 presequestration figure.

Would you be able to live with that figure if that were imposed upon you?

Mr. WEBSTER. I would like to consider that a little more and perhaps give you a response for the record on that one.

My focus has been primarily on the impact of Gramm-Rudman, which would depend on who is right on what the economy is going

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to look like, whether it is the Congressional Budget Office or the OMB.

We were informed that our budget, as submitted for the 1987 budget, was well within the Gramm-Rudman parameters. But the forecasts by the Congressional Budget Office would indicate very substantial additional cuts over and beyond the ones we have experienced in fiscal year 1986. And without going into a lot of detail—although I am prepared to for the record, if you wish—it would represent setting us back about 2 years, going back to where we were 2 years ago. And that means not only the losses of all our forward momentum in terms of equipment and automated data processing and so on, but also actual reductions in force, which the Congress has never, to my knowledge, imposed on us in the past.

There is no way we can avoid it, because we are about 80 percent people.

Mr. KASTENMEIER. Well, there are, of course, many programs which enjoy a high priority, including the defense programs. If it were the case that the Supreme Court would not uphold the circuit court decision and, in fact, would hold that Gramm-Rudman in its entirety is constitutional, and if it were further the case that the Congress and the President could not agree on a budget and that Gramm-Rudman be triggered on October 1, there would be very substantial, I gather catastrophic, decreases for many agencies that are favored under the President's proposal.

I suppose that would include the Justice Department and the Bureau.

Mr. WEBSTER. Yes.

Mr. KASTENMEIER. You would not have a 7-percent increase, but there would be a very substantial decrease, possibly 15 percent, maybe more, maybe less.

Mr. WEBSTER. That is right.

Mr. KASTENMEIER. You contemplated that.

Mr. Rodino is suggesting, I take it, something in-between, not a cut but a freeze. And I was inviting your comparisons in terms of potential impact on the Bureau.

Mr. WEBSTER. Well, as I understand it, as I understand Chairman Rodino's proposal—and I don't pretend to understand it fully--but as you give it to me, that is pre-Gramm-Rudman application, is it not?

Mr. KASTENMEIER. That is pre-March 1. In other words, he was talking about before the 4.3 percent or $52 million cut.

Mr. WEBSTER. So it would be a $52 million increase over 1986.

Mr. KASTENMEIER. Yes.

Mr. WEBSTER. But that would be before the application; that figure would then be subject to the application of Gramm-Rudman.

Mr. KASTENMEIER. Yes.

Mr. WEBSTER. Which would probably cut us—I am basing the impact of Gramm-Rudman on our budget request. This would be even more significant in reduction if Gramm-Rudman applies.

Mr. KASTENMEIER. Well, I think it is well to contemplate the swings in terms of optimally what any agency would like, and then——

Mr. WEBSTER. Then what we can get along with.

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Mr. KASTENMEIER [continuing]. And the worst case scenario, what would happen, even though no one would wish it so.

Mr. WEBSTER. I think the most important thing is that this committee and the Appropriations Committee has already extended to us—and I would hope in the future—would be to give us room in forced reductions so we do not damage essential programs. I don't think there is any program in the FBI that has been laid on us by the Congress and that we would arguably want to use Gramm-Rudman to dump.

Everything you have given us are things you want us to have and things we badly need to have. So the most discretion possible under the law would be really appreciated.

Mr. KASTENMEIER. Mr. Chairman, if I have more time I would like to explore one other point at this time, and that is increases being sought by the Bureau.

About half the increases appear to be in foreign counterintelligence. You are seeking an overall increase of about $85 million; $41.8 million, about half, is in the foreign counterintelligence field. That has found a high priority, obviously.

In the event—and I know you and others have commented on this—in the event the administration carries through with its proposal that personnel from the Soviet Union be substantially decreased in the United States, what would this mean with reference to your current request versus what you would need in the case of diminished Soviet personnel in the United States?

Mr. WEBSTER. Well, the best way I could respond to that in an open session would be that it would reduce the need for us to ask for even more, but not reduce the need for what we have asked for.

The amounts—and they are classified, as you know, and I have to take that into account in responding here—these are——

Mr. KASTENMEIER. I guess I am asking for general responses; not specifics.

Mr. WEBSTER. These amounts are largely catchup based on the 1982 national threat assessment that was provided to the National Security Council and the President by the intelligence community, and reflect an effort to recoup significantly lost ground in the seventies and early eighties.

It is trying to redress a substantial imbalance. I am very supportive of—and, in fact, my committees that I chair in the intelligence community initiated proposals along the lines at least 2 years ago that are now taking effect on reductions. But——

Mr. KASTENMEIER. Do I understand, Judge Webster, in general terms that the level of Soviet personnel in the United States, increased or decreased, will have no effect on the FBI's counterintelligence request?

Mr. WEBSTER. It has a bearing in that it is going to help us in the outyears in the future. The current needs are in excess of what we have asked for. That is, we are trying to catch up in a manageable way.

I do not think that the actual reductions—and there are balancing of that that we don't know what the effect will be on the new mission in New York City, and so on—I do not think that those reductions will reduce the need or the equivalency or the number of

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agents required to deal with them to the point where it becomes a place to save money, if that is the question.

Mr. KASTENMEIER. I have other questions, but I think I have used up my time.

Mr. EDWARDS. All right.

Judge Webster, a number of domestic peace groups—Physicians for Social Responsibility, Jobs With Peace, Women's International League For Peace and Freedom—all have been the subject of FBI investigations in recent years. All of these, as you know, are very reputable groups. The physicians group won the Nobel Peace Prize last year, and the Women's group was founded in 1915.

Even Samantha Smith, a 13-year-old girl from Maine, who went to Moscow on a personal peace mission, had FBI files on her, or was the subject of FBI documents.

So, the first question I have on this subject is, how come? Why would you have a file on Samantha Smith? What kind of standard would you have that would——

Mr. WEBSTER. We had no file on Samantha Smith, Mr. Chairman. I am glad to be able to respond to that publicly.

Samantha Smith was very active during her young life. A lot of people were interested in her. Some of the people who were interested in her were objects of our interest—and legitimate foreign counterintelligence interest. And her name would appear from time to time in investigative matters, intercepted telephone communications, documents, and so on. And that fact was simply cross-referenced to a cross-reference file. Thus, her name appears.

She was never the subject of investigation; never the subject of a separate file. It is just the way we keep track of our data.

As to the other groups, I think we have responded both in briefings and official responses to those. We have from time to time allegations that invoke our investigative interest. I say that rather than investigations, we make a preliminary inquiry to determine whether there is a basis for an investigation, some of which come to us from highly sensitive sources, but do not necessarily establish any fact but suggest that we ought to be looking further. Or an allegation is made of one kind or another of that kind, and a contact occasionally by someone we know to be an intelligence officer, and the other person might not know is an intelligence officer, frequently comes up.

In the case of the physicians organization, we had such a lead. That lead was pursued without any kind of penetration or secret or covert undercover operations, nor any of the things that people worry about. It was held open for a couple months, and there was no basis for the investigation, and the file was closed.

That is how these things come and go from time to time. And because the Freedom of Information Act is utilized to develop files which reflect some of this, sometimes the apprehension is there when the reality is that nobody's organization was ever either chilled or put in peril of legal penetration.

Mr. EDWARDS. So your testimony is that you do have a standard that you can live with and have confidence in, which is that you get a lead and you feel you have a responsibility to make a preliminary quick investigation, and then in most of these cases you find out there is nothing really there, so you stop it?

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Mr. WEBSTER. That is correct.

Mr. EDWARDS. It doesn't start some huge machinery going in the FBI with a life of its own and leads go out all over the country that this organization might have some foreign connections.

Mr. WEBSTER. That is completely correct, Mr. Chairman.

Mr. EDWARDS. Because it has been unfortunate with these organizations. You have gotten a lot of bad press on it. And people don't understand why the FBI, when you have all this important work to do, would be spending time not only on Samantha Smith but on these little, old ladies—you know, they are really getting along in years—the Women's International League for Peace.

Mr. WEBSTER. I assure you we spent no time at all——

Mr. EDWARDS. I know of them.

Mr. WEBSTER. I think at the risk of leaving the statement well made by you, we spent no time at all on Samantha Smith other than to make note of the fact that other people were interested in her. I think we should do that, because there is no file on her. And, at some point, had she lived and had there been an effort made to co-opt her or recruit her by an intelligence officer, I think that she would have wanted to know, and her parents would have wanted to know, and certainly the U.S. Government would have wanted to know in order to protect her and our country from that kind of activity.

But nothing occurred. And there was no file on her. And she was never the subject of an investigation.

Mr. EDWARDS. What kind of people would write the FBI or make an inquiry about Samantha Smith that would lead you to make an entry?

Mr. WEBSTER. Oh, in this case it was information gleaned from a very sensitive source, not as to her but as to the person who made the reference to her, that we were investigating.

Mr. EDWARDS. Well, Judge, there have been a number of these break-ins of churches, sanctuary churches, and they have taken place across the country. These break-ins don't seem to be ordinary burglaries; they don't go after money. The burglars seem to want to get organizational files and lists of names of people.

As you know, a number of people have accused the FBI and the INS of being involved in this, and you and I know that is not true, and have said so publicly.

Mr. WEBSTER. Right.

Mr. EDWARDS. But it is a serious matter, and apparently not necessarily just a matter for the local police.

Do you have anything to tell us about this issue? It is causing a great deal of problems in the country.

Mr. WEBSTER. Mr. Chairman, you correctly stated the fact. The FBI has absolutely no involvement in those burglaries or any investigative interest in the churches themselves. We have consulted with the Civil Rights Division of the Department of Justice and have been advised that we have no jurisdiction at all from the point of view of a civil rights violation in the absence of some Government involvement or the apparent application of one of those laws, lack of an apparent application under those laws under which civil rights investigations have been conducted in the past, such as the use of restaurants or airplanes or trains.

Should we get any information that gives us arguable jurisdiction, we certainly have an interest in it. I followed the dates and places, and the reports are numerous, and one can draw a citizen's inference that there is more afoot here than idle curiosity about what is inside the organizations. But we currently do not appear to have any form of jurisdiction or authority to pursue the issue of jurisdiction.

Should anything develop that suggests Federal jurisdiction. I can assure you that the FBI will take it promptly to the Justice Department for authority to proceed in these matters.

Mr. EDWARDS. Well, somebody is doing this. Somebody is behind the burglaries.

I believe I dropped you a line earlier in which I asked the Bureau, is it not possible that the Bureau would have jurisdiction over the sanctuary burglaries, because of the Foreign Agents Registration Act? It is almost a perfect case for agents coming from, say, somewhere in Central America who are disturbed at the work of these people escaping from their country, leaving families back there, and the burglars wanted to get their names and addresses and names of relatives back home.

This has happened before. It happened with President Marcos, with the Shah of Iran, with Chile in the old days.

Why isn't that enough information to at least have the FBI take a look at it?

Mr. WEBSTER. Subject to departmental determination, I agree that it would be a basis if there were any indication at all that this were taking place. So far, we have not been presented with any information that would support that theory. But if there is any such information, and if the people involved will come forward so we can examine it, we are ready, willing and able to act on any Federal jurisdiction that is apparent to us.

We just lack authority to go in absent any indication at all.

Mr. EDWARDS. My first round time is up.

The gentleman from Michigan, Mr. Conyers.

Mr. CONYERS. Thank you, Mr. Chairman.

May I assure the chairman that the Women's International League for Peace and Freedom is not constituted of all entirely old ladies. There are some very young, vigorous, attractive——

Mr. EDWARDS. I withdraw that remark.

Mr. CONYERS. Ail right.

I thought I could get the chairman's cooperation on that point.

Judge Webster, we have got a serious situation in Alabama that has left a lot of us in the civil rights community disturbed about the prosecutions and the investigations and the trial—particularly the conduct of one U.S. attorney who has now, of all things, been nominated for a Federal judgeship almost as if in reward for his misconduct in the matter that I am about to discuss with you; that is, Mr. Sessions. Mr. Sessions' nomination is underway in the Senate even as we meet.

But the whole idea of civil rights workers being aggressively prosecuted for voter fraud in a part of our country where blacks have, for generations, been routinely denied the right to participate, the kind of harassment that went on is something that we have to really look into.

In 1984—these were elderly black citizens who had voted absentee in the September primary—they were questioned by FBI agents or were called to testify before the grand jury in a threatening, frightening, intimidating manner. I mean, there was no question about what the intention was in the way that they were treated.

We have had elected officials from that area say that these were senior citizens that they finally got to register for the first time in their lives. These were grandmothers and grandfathers who had finally been coaxed into participating in the electoral process. And then, on their first ballot cast, to be visited by the FBI in the way that they were visited, of course, they told everybody else they will never vote again as long as they live. You can forget about voting in the United States of America. I mean, some of them really were put through some changes.

Most of those cases were dismissed. It was very clear what the intended impact was. It was to intimidate black voters, political activists and people who were trying to redress the imbalance of power down there.

Regardless of what the political situation is, the FBI came in and really shook everybody up. I need you to investigate this matter and let us work out some kind of protocol where this doesn't happen any more.

Mr. EDWARDS. Will the gentleman yield to me?

Mr. CONYERS. Yes, sir.

Mr. EDWARDS. We had a day of hearings on the voting cases in Alabama, and we really were shocked at the number of agents that were taken out of, I believe, the Memphis office, or one of the offices, and taken down there for cases that really weren't that substantive.

These aged black people were put in buses and taken 100 miles to testify, as I recall, a couple of times, and it just seems to us that there ought to be an investigation, internal investigation by you, Judge Webster, of how it happened that the SAC down there must have been importuned by somebody in the Justice Department to do this. It was a massive assault for cases that usually are not very important.

I thank the gentleman for yielding.

Mr. WEBSTER. I will be glad to go back and revisit this ground. In the past, we have always taken some comfort in the fact that civil rights cases are carefully controlled by the Department of Justice; in some cases, so carefully controlled that we wonder if we will ever get anything accomplished, whether that is an allegation of brutality or allegations of denial of voting rights, franchise or misuse of the franchise.

It is my understanding that this case was very carefully reviewed at the departmental levels. We are not even authorized to conduct investigations beyond the very preliminary stage without authority from the Department and under their direction.

So, I took some degree of comfort that it was being looked at not only at the local level, U.S. attorney's office, but also at headquarters.

Certainly, we have scarce resources, and they should not be used for minimal returns.

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If we put aside the question of race for the moment, then my view of it, based on a lot of years as a prosecutor and judge and now in this work, is that the franchise is one of the most important things an American citizen possesses, and that efforts to deny him his franchise either by influencing his vote, manipulating absentee ballots, playing games with the process, is a very serious injury and not a small thing.

I am very sympathetic and listened very carefully to the problem Congressman Conyers raised about the reaction of potential witnesses. It would be distressing to me that anything the FBI did in an effort to find out whether their rights have been violated would cause them to think less highly about the right of franchise. I will look at that, because that must not happen.

We were there to protect their rights, not to chill them.

[An exchange of correspondence on the Alabama voting fraud cases follows:]

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U.S. House of Representatives
Committee on the Judiciary
Washington, DC 20515-6216
Telephone: 202-225-3951

March 25, 1986

The Honorable William H. Webster
Director
Federal Bureau of Investigation
J. Edgar Hoover Building
Washington, D.C. 20535

Dear Director Webster:

At the Subcommittee's hearing on March 14, questions were raised regarding the FBI's role in last year's voting fraud investigation in Alabama. You promised to look into the matter.

We would ask that your review include the following questions:

1. How many special agents worked on the investigation?

2. How many special agent work hours (or days) were devoted to the investigation?

3. Which field office handled the investigation? How many special agents are generally assigned to that office? How many agents, if any, were brought in from other offices for this case? How many voting fraud investigations has that office handled in the past four years?

4. How was the investigation initiated? Who initiated it? How long did the Bureau's investigation last?

5. What discretion did the Bureau have in conducting the investigation, in assigning resources to the case, and in identifying targets and witnesses?

6. Did the agents responsible for the investigation reach conclusions on the merits of the case?

7. Whose decision was it to transport the witnesses to Mobile for grand jury questioning? How many FBI agents were involved in transporting the witnesses? How many other federal agents from which other agencies were involved in the operation?

8. How many witnesses were interviewed by the Bureau? How did the Bureau decide whom to interview? How many agents, including officers of other agencies, went to interview each witness? Were any interviews conducted in the evening or at night?

We would like the answers to these questions and the other results of your review by April 7.

We appreciate your prompt attention to this matter.

Sincerely,

Don Edwards

Don Edwards
Chairman
Subcommittee on Civil and
Constitutional Rights

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April 8, 1986

Honorable Don Edwards
Chairman, Subcommittee on Civil
and Constitutional Rights
Committee on the Judiciary
House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

In your letter dated March 25, 1986, you asked several questions relative to last year's voting fraud investigation in Alabama. I have looked into the matter, and the following are my responses to your questions.

Question:

1. How many Special Agents worked on the investigation?

Answer:

Fourteen Special Agents worked on the investigation.

Question

2. How many Special Agent work hours (or days) were devoted to the investigation?

Answer:

2,830 Agent manhours were devoted to the investigation.

Question:

3. Which field office handled the investigation? How many Special Agents are generally assigned to that office? How many Agents, if any, were brought in from other offices for this case? How many voting fraud investigations has that office handled in the past four years?

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Honorable Don Edwards

Answer:

The Mobile Field Office handled the investigation. Forty-nine Special Agents are generally assigned to Mobile. No Agents were brought in from other offices for this case. The Mobile Office has opened twenty-five voter fraud investigations in the past four years.

Question:

4. How was the investigation initiated? Who initiated it? How long did the Bureau's investigation last?

Answer:

This investigation was initiated on August 31, 1984, based on information provided by U. S. Attorney (USA) J. B. Sessions III, Southern District of Alabama, Mobile, Alabama. USA Sessions advised that Roy Johnson, District Attorney, Fourth Judicial Circuit, State of Alabama, Selma, Alabama, had requested assistance concerning alleged election law violations in Perry County, Alabama. In accordance with customary procedures, this investigation was authorized by the Public Integrity Section, U. S. Department of Justice. The investigation lasted until January, 1985, at which time the Federal grand jury returned indictments.

Question:

5. What discretion did the Bureau have in conducting the investigation, in assigning resources to the case, and in identifying targets and witnesses?

Answer:

Although our Agents frequently consulted with the USA's Office, we were responsible for conducting the investigation and making investigative decisions, to include the assignment of investigative resources.

The witnesses to be interviewed were determined after consultation with the USA's Office and the U. S. Department of Justice. The witnesses called before the Federal grand jury and at the trial were selected by the USA's Office and the U. S. Department of Justice. The subjects of the case were identified jointly by

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Honorable Don Edwards

the USA's Office and the FBI through a review of the results of the interviews of witnesses and a review of documents associated with the election.

Question:

6. Did the Agents responsible for the investigation reach conclusions on the merits of the case?

Answer:

Our Agents were responsible for conducting the investigation and providing the results to the USA's Office for a prosecutive decision. Reaching a conclusion on the merits of a case, as it pertains to prosecution, is not a function performed by our Agents.

Question:

7. Whose decision was it to transport the witnesses to Mobile for grand jury questioning? How many FBI Agents were involved in transporting the witnesses? How many other Federal Agents from which other agencies were involved in the operation?

Answer:

This was a joint decision between the USA's Office and the FBI and was based on the fact that the persons being transported had no other way to get to the grand jury, which was being held in Mobile. One Agent was present when the bus was loaded; however, he did not travel with the witnesses. No other agencies were involved in the transportation of the witnesses other than a nurse from the Perry County Health Department who was on board the bus to tend to any special needs of the witnesses, many of whom were elderly.

Question:

8. How many witnesses were interviewed by the Bureau? How did the Bureau decide whom to interview? How many Agents, including officers of other agencies, went to interview each witness? Were any interviews conducted in the evening or at night?

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Honorable Don Edwards

Answer:

175 witnesses were interviewed. Seventy-five interviews were of persons whose ballots appeared to be altered. Another seventy-five persons were picked at random from the election rolls, and twenty-five interviews were conducted as a result of information obtained during the investigation that required further explanation.

The vast majority of these interviews were conducted by one Agent per witness. On a few occasions, two Agents were present at the interview of a witness. Most of the interviews were conducted during daytime hours. Fewer than 10 percent were conducted in late afternoon or early evening hours, and none were conducted at night after 8 p.m. Some interviewees were unavailable during the day. These are the people we interviewed during the early evening.

If I may be of further assistance to you, please do not hesitate to contact me.

Sincerely yours,

William H. Webster
Director

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Mr. CONYERS. Thank you.

Thank you, Mr. Chairman.

Mr. EDWARDS. Mr. Kastenmeier.

Mr. KASTENMEIER. Thank you, Mr. Chairman.

Back to the subject of the budget, I take it that you clear your budget with the Department of Justice and the OMB—as a matter of course—but I take it that you largely determine your own priorities and your own budget wishes consistent with departmental input and OMB input.

Is that correct?

Mr. WEBSTER. Well, I think that is correct except that we come up with a wish list, and they come up with the give list.

Mr. KASTENMEIER. I see.

Mr. WEBSTER. At least until we come to you and ask you to go along with us.

Mr. KASTENMEIER. OK.

Mr. WEBSTER. They don't always give what we wish.

Mr. KASTENMEIER. Right. But they do——

Mr. WEBSTER. But in my priorities, yes.

Mr. KASTENMEIER. They do respect your priorities.

Mr. WEBSTER. Yes, yes.

Mr. KASTENMEIER. One of the questions I have is, again, on the 4.3-percent reduction that you took 2 weeks ago. According to our analysis, your investigative programs were cut on an average of 1.6 percent; the technical field support and equipment category was cut by 22 percent.

Mr. WEBSTER. Yes.

Mr. KASTENMEIER. Is that a good measure of your priorities? For, if there are any further freezes or cuts somewhere down the line, you would want to save investigative programs, and you might be willing to give in equipment? I don't know whether this refers to your new artificial intelligence and your voice security programs, which are technical programs, but I would like your thinking on what you consider that which is important in any event to save.

Mr. WEBSTER. My thinking runs something along this line: Our people are our most precious resource. They were trained at great expense to the American taxpayer; they render enormous service—an organization one-third the size of the police force of the city of New York taking on these enormous programs that I described in my opening statement. So, clearly, they are the least replaceable and the least deferrable.

We can, if we must, defer the acquisition of equipment, the replacement of obsolete equipment, and the institution of new and important programs that offer great hope for the future, if we are forced to the wall on what we have to give on.

In this case, for 1986, we picked up about $9 million by not hiring rapidly into our authorized complement. That means we will end up with less people than we would have for the period of time that we dragged our feet on new hires. But we didn't have to fire anybody.

I think firing a special agent because of budgetary constraints is almost unthinkable, to me, and so you go to the only other place, and that is equipment. In a best case situation I have argued in the past and in appearances before this committee, I have urged equip-

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ment over additional people in order that this be a fully integrated, well-supported, small but very effective organization. I didn't want just more people unless we were prepared to support them with the kind of equipment and backup.

That is why, until we hit the Gramm-Rudman impact this year, this was the year I wanted to develop our general support employees, because if you can't get the information off the tapes, if you can't get transcripts ready for trial, if you can't get the reports to the people who have to analyze them, there is a tremendous drag on the people who are out doing the online investigative work.

When you have to find the money, we always seem to find it in deferrals or reduction of equipment. It isn't that I want to do that; it is simply that I think the alternative is unacceptable in the terms of reduction of existing complement.

Mr. KASTENMEIER. I appreciate that.

On the point, let me go one step further. The authorization sought is for 22,430 positions. Of the 22,430, how many would constitute special agents?

Mr. WEBSTER. About 9,200, I believe.

Mr. KASTENMEIER. 9,200?

Mr. WEBSTER. If I may check that for you—9,506 agents, special agents.

Mr. KASTENMEIER. Am I correct in assuming that while you obviously need all the support personnel that you can get, so to speak, that your greatest investment is probably across the board in your special agents, and those are the people you would least like to cut because they are operating in the field and they do the production?

Mr. WEBSTER. That is correct.

We have also—one of the reasons our support personnel has been, for general support purposes, so crowded is that we have taken out rather than building up the special agent category. We have identified certain special skills, particularly in the ADP area, and in certain types of surveillance techniques where we can train support personnel to do that work. That has obviated the need of coming in with the substantially increased numbers of special agents.

It is more cost effective. But we have taken them out of our existing complement of support personnel. We have ended up wondering what is the holdup. The holdup is not the special agent, and it isn't the skilled surveillance support personnel. The holdup is these enormous backlogs in getting the reports, the information, the transcripts and so forth out.

Some of it—we have been burdened in many respects because some of the best cases we have are based on electronic surveillance—the organized crime cases, for instance—and there are thousands of hours of tape, and some of the courts have been ordering transcripts in order for the defense counsel. So, of all tapes, whether they are going to be used or not, various types of orders of which we are subject, and that slows down the prosecutive process, as well.

So, it is the impact not only on our investigative work, but it is also having a severe impact on getting these cases through the criminal court system.

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Mr. KASTENMEIER. One last question, Mr. Chairman, and that is on the *Miller* case. We have seen for the first time ever, a special agent go on trial last year and again this year for selling secrets to the Soviets.

Has this produced any reexamination of counterintelligence activities within the Bureau? I say this in the context of the Stilwell Commission, which made a number of recommendations to the Defense Department.

But did the *Miller* case cause the Bureau to reexamine its own procedures?

Mr. WEBSTER. It caused the Bureau to reexamine its own procedures, but did not produce any major changes that would be significantly helpful. The Stilwell report dealt with security and countermeasures. In a sense, we have that problem. We have been tightening up even more so than in the past access to certain kinds of information that go beyond the responsibility of the particular agent.

In this case, the one document that is alleged to have been released—and I have to be careful because there is a trial going on now—was available to him in his official responsibility. We have audit systems and screening processes, but I suppose one of the most difficult things in the world to recognize is a change in loyalty.

With due respect to the privacy interests of our employees, we try to be alert to major credit problems, matters that might make them vulnerable to recruitment. And we do respect their personal privacy outside the Bureau to the extent it does not impact on the Bureau.

Had we become aware of some of the facts that are alleged, I suspect we would have had some interest and would have acted differently.

I have to be very careful. There is a trial going on now, and I think I have said all I can say. We are sensitive to the problem. This has been manifested by our arrests of former employees in most of the major intelligence agencies of our country in the past 2 years.

Money is a very important factor, and ideology has almost nothing to do with the problems that the United States has experienced in terms of betrayal. That makes it more difficult to deal with because, in the old days, you used to watch the organizations that advocated the overthrow of the Government, and there you would find the people who were out spying.

This is really not our problem today, and that is why the Stilwell report, in my opinion, takes on increased importance, because it becomes a responsibility of everyone who has those secrets to protect them in many of the ways that he suggested. Certainly those that have application to the FBI are being applied fully in our organization.

Mr. KASTENMEIER. One further follow-on question, if I may. This goes to the polygraph and whether the Bureau gives increasing reliance to it.

As a background, I might say that this is a clearly unsettled issue in the society. We see in the House, an antipolygraph bill passed in the last few days for the civilian sector, and we have seen

the Secretary of State personally take a position against imposed polygraph tests on certainly certain individuals.

So I am wondering whether, as a result of the President's directive of last September, whether the FBI has increased its resort to polygraph tests for its purposes, or whether it is sort of on hold with respect to that.

Mr. WEBSTER. We are moving forward in that direction. I have been trying to take as informed steps as I can and not take two steps forward and have to take one step backward, and we have been working with the scientific community to get a better understanding of the efficacy of polygraphs in relation to screening as distinguished from criminal investigative work where you have a known subject and where the polygraph examiner is in effect an investigator seeking to establish facts.

It is not as good in the screening area. I think we know that. Unfortunately, it is the best thing we have and it does provide a measure of deterrence in the sense that if the questions are legitimate and if due respect is given to the privacy interests of those involved, and if the range of people subject to the use of the polygraph for screening purposes is limited to those who have access to sensitive compartmented information—in other words, not a wholesale use of the machine but a selected and careful use—with those who, by reason of the enormous trust given to them, can expect some necessary give-ups in their personal privacy.

If we could do all those things, and do them right, I think we will advance the interests of national security without changing the nature of our society.

I have said that when we introduce it, I will be the first person to use it. And I still intend to do so.

It has its limitations. We have to recognize that it does. But when we see what has happened not only here but especially in other intelligence agencies around the world where high-ranking officials, very high-ranking officials have been in place for significant periods of time, and have been undetected, one has to say what can we do about this.

One of the things we can do about it is have the process of periodic auditing. We know that many of the agents that we have caught up with, and many of the people that we know have been approached for compromise, have expressed anxiety about the polygraph and whether or not they could do their work without coming up against a compelled polygraph examination.

So, there is fear of the polygraph. That, in itself, is some form of deterrence. In the auditing process, to know that you will at some point within a range of time be asked to go down and take the examination, and be asked whether within that period of time, you have disseminated classified information to persons not authorized to receive it, should act as a deterrent, whether at a cocktail party or some other place when persons without any improper motives might be tending to go beyond their imposed trust.

So, it does have, I think, some value, and I think some significant value. And we don't want to lose it by misusing it and causing legislation that prevents our use of it.

We are proceeding cautiously, both the Drug Enforcement Administration and the FBI, but especially the FBI, that sensitive,

compartmented information ought to be subject to this kind of audit. I hope we can do it in a way that you will approve of, and that it will serve a useful purpose.

The Chin case is often given as an example of the failure of the system. It wasn't a failure of the system; it was a failure of the process. He was given one examination—it was inconclusive. In hindsight, I am sure that anyone involved would have wanted to have it reviewed.

We always review every polygraph examination at headquarters by our experts to have a second look at what the examiner in the field has done. And after having gotten an inconclusive examination, for some reason, the process failed, and he was not given any more examinations.

So, it wasn't that he cleared a series of audits; he just never had any more audits.

There were other cases of successes and failures that I probably couldn't talk about in an open session. But I do believe that until we come up with something better, we should try to use it recognizing its frailty and being very careful to set guidelines that go no further than necessary to protect the national security.

Mr. KASTENMEIER. Thank you.

Thank you, Mr. Chairman.

Mr. EDWARDS. Judge Webster, I want to get back for a moment to what went on in Alabama, because I think it is very important. Mr. Kastenmeier and I have been around since the old days of the great battles of the sixties over the Civil Rights Acts. Twenty years ago, the FBI didn't have a good reputation in civil rights. It was looked upon as the enemy.

We don't want that to happen again. It could happen again if there are many more of the Alabama instances. Part of the jurisdiction of this subcommittee is also to authorize the appropriation for the Civil Rights Division of the Department of Justice, and of the hundred-odd civil rights organizations in this country, not a single one wants us to give them any money at all.

So that is something to remember; that the FBI is, from time to time, going to be called upon to be led down the garden path in civil rights cases that perhaps don't have any justification but have political implications you don't want to touch with a 10-foot pole.

I only bring that up because it is a reality. It is something we know. We disagree unanimously at least on this side of the aisle with the point of view of the Assistant Attorney General in charge of civil rights. As you know, he couldn't get promoted because of what the general public thought of his civil rights attitude.

I bring that up because we don't want those, the old days, to happen again. And I am sure you don't want those days to return.

I notice that your civil rights investigations are down 25 percent since 1981. I might ask you about that.

Can you explain why 25 percent fewer investigations or hours are being spent on civil rights?

Mr. WEBSTER. I think I can explain why most of those figures are as they are.

There have been a couple changes. I think we identified a couple places in our statistics where, because of leads, were run out of different field offices, they were showing up as more than one investi-

gation, and in an effort to be as consistent as possible and to be—and to not inflate figures that we would represent to this Congress, we made some adjustments there. That accounted for some of them.

I think most of the reduction in cases resulted from a new approach to complaints by criminals in prison. They—as you know, they make civil rights complaints with great frequency, and in most of those cases tend to evaporate after the investigation has gone forward.

So we have been requiring that when we get an allegation of this kind, instead of immediately opening a case we send a letter asking for more factual bases for the complaint. When that letter is returned to us, we then open an investigation based on that letter rather than just a free-wheeling allegation of depravation of civil rights.

The result, I gather from the process, is that we don't always get the letter back. So we do open the investigation when we do get the letter back.

I think that may have some of the figures. I am just trying to see if I had any figures on monitoring. There has been no change in our policy to watch out for racially motivated actions that invoke civil rights.

I think we have gotten some convictions last year—some 12 I believe—that involved fire burnings in Alabama. We will continue—there is no diminution of our interest in that area at all.

Mr. EDWARDS. We want to see the FBI the champion of civil rights and recognized as that.

Mr. WEBSTER. That is right.

Mr. EDWARDS. The last question I have in this round, Judge Webster, is that we understand that the Bureau is going to start charging State and local departments for training at Quantico. I have not talked it over with my colleagues, but I do know that I, personally, think that is a great mistake. I think you can't do a worse thing than to discourage State and local officers from coming and getting that training. That is going to discourage them.

For every nickel you invest in getting them to Quantico, I am sure the public benefits in dollars.

Mr. WEBSTER. I appreciate you saying that, Mr. Chairman. This was an administration policy decision in an effort to reduce the amounts of grants in aid to States through the reimbursable process. My record on this subject is too long and too complete for me to represent that that was my idea, but we are glad to have any funds that support the training program. And this is the way it worked out.

Mr. EDWARDS. Thank you.

I guess it is an OMB decision, and we will try to send a message to them that perhaps they just don't understand the value of the program. It just shouldn't be given up. It has been in operation for 40 or 50 years, as I recall.

Mr. Conyers.

Mr. CONYERS. Thank you, Mr. Chairman.

I want to join Chairman Edwards in emphasizing this last subject. Our local police are inundated with requests for crime investigation, for safety provision, for matters that they are totally over-

burdened with. And so what is going to happen is that they are just going to cross this out of their budget. If they have to pay for it and they are caught in a crunch, they are going to say, well, forget it.

We will have yet another notch of the quality of police enforcement slip right at the place where the American people need it most, which is right in their communities.

So, I strongly support any activity Mr. Edwards or my subcommittee may take in this matter.

Mr. WEBSTER. I appreciate your comments. I think the National Academy—in fact, President Reagan, in a televised message to the 50th anniversary of our National Academy, called this one of the finest examples of federalism at work in our country. And I deeply believe that.

I visited the retraining sessions of the Academy when these police officers continue to keep up those skills that they earned the hard way at the Academy. One out of seven of all of our graduates heads a law enforcement agency somewhere in the world today, which speaks mightily for the impact on the quality of law enforcement.

Mr. CONYERS. The Racketeer Influenced Corrupt Organizations Act [RICO] has a civil side. That civil side allows the Department of Justice and aggrieved individuals to sue people who have been engaged in criminal activity and racketeering, and there has been a lot of discussion about relaxing it.

I would like to find out how important is that provision that allows the Federal Government to enjoin the criminal activity before there has been a prosecution.

We have had testimony that suggests that this is a very important area in criminal prosecution because it could at least interrupt the conduct that is being complained of in the criminal court until we can get that prosecuted or resolved one way or the other.

Mr. WEBSTER. I support every aspect of the RICO statute that impacts directly upon the criminal justice system. There are areas that I feel no need to take a position on that, as you know, some members of the Bar and others are concerned about civil suits between private litigants calling each other racketeers and wanting some modifications in the act as it applies to private litigation.

Insofar as it affects the criminal justice system, it has probably been the most important single legislative tool that has come our way to deal with organized crime. It took us far too long to begin to use it effectively, almost 10 years I think from the time of adoption. But today, you can't look at a major prosecution around the country in organized crime where RICO wasn't the basis for it, and RICO provided not only more severe penalties but the opportunity to take away the ill-gotten fruits of organized crime to get them where they live at the money level and to seize and forfeit the assets of criminal enterprises.

So I would personally want to resist any form of erosion to the criminal justice aspects of that act without being asked to take a position on noncriminal justice matters.

Mr. CONYERS. Well, the civil side does impact on the criminal side.

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Mr. WEBSTER. To the extent the U.S. Government is involved in utilizing any of the provisions of civil RICO, I support that. To the extent that one corporation might sue another corporation, that is another matter and another forum. And I don't feel obliged to get into that.

Mr. CONYERS. I don't want you to comment on that, but the attorney general or Department of Justice frequently goes in to preliminarily enjoin the conduct which you can't get on the criminal side.

Mr. WEBSTER. That is right.

Mr. CONYERS. It seems to me that is enormously invaluable in interrupting the alleged criminal conduct.

Mr. WEBSTER. I agree.

Mr. CONYERS. Now, on the subject of racketeering and organized crime—and it goes back to our earlier discussion about the war against drugs—can you give us a—I won't use the term "thumbnail" description any more—can you give us an idea of how that fight is going on, because at many levels of our community, Judge Webster, what we see is the small criminal, the pusher on the corner, the petty criminal being swept up in sometimes elaborate anti-crime strategies.

But what we need to find out is how we can more effectively get to the people in the executive suites, the master criminals, the people now who are the sophisticated people who will never get caught with drugs on them, but are responsible for perhaps billions of dollars' worth of traffic.

Mr. WEBSTER. That is precisely where I think the Federal effort should be. The problem, the drug problem itself, is so enormous and so pervasive throughout the country that there are tremendous demands on Federal law enforcement to assist State and local law enforcement in local sweeps, local busts, and this is—while it is politically attractive, and you can understand the desire not to—you say we have a problem, too; help us. Why are you fooling around in New York and putting all your money in New York and Miami and Los Angeles, when we have a problem. And I understand that.

I understand there must be some Federal presence everywhere. But we are advocating a national strategy that is increasingly based on getting at the distribution apparatus at the head of the thing, and not at the end of it.

I agree with you. All those people out there in the local, caught up in the local sweeps, can be replaced. They are replaced every time there is an arrest. Somebody else will come in and supply that.

We must follow—particularly in cocaine trafficking where we have so much of it in so many places, we must follow our leads to the principal directing vehicles—you call them executive suites; I am not sure they meet that description—but where the drug masters are running the apparatus. That must be the national strategy.

If it means pulling a few Federal agents away from those local efforts in order to put them where they can do the most good, we may have to do—we will have to bite that bullet. We are not going

to get a lot more people, and we have to put the people where they will have the greatest impact.

For years, I have used the expression in organized crime "reaching beyond the streets up into the upper echelons of organized crime," which is what you are seeing happening today. The same thing, the same principle is applicable in dealing with the drug problem on the enforcement side.

So, I agree with what I think is implied in your question.

Mr. CONYERS. Have you noticed any increase in official lawlessness among police in law enforcement ranks in terms of double dealing in drug activity and in corrupt activity? We have noticed some of that in Florida and New York, but I am sure it is a very big problem.

I am wondering how the FBI can coordinate and work effectively with local law enforcement agencies in this regard?

Mr. WEBSTER. Well, it is always a tough problem, but it is one we have lived with for a long, long time. It has been our responsibility to investigate corrupt judges as it has been our responsibility to investigate allegations of police brutality wherever they occur. And we are going to continue in that area because it is an area of FBI expertise.

We have got to be tough. We are starting with ourselves. And on every other law enforcement agency we have to build up a sense that this is intolerable conduct.

The amounts of cash that are currently available in the drug industry to corrupt not only police officers but officials, mayors, judges, an entire range of high-ranking officials, presents one of the major threats of drugs and one of the major reasons why we must deal with it, because they are eroding public confidence in people in authority who have been given positions of responsibility.

It is a problem that we have talked about for a long time, and we are doing something about it, wherever we find it. But I can't overstate the problem in terms of the capacity to corrupt. You are not talking about a $10 tip; you are talking about $50,000 to be somewhere else. You don't have to do a thing; just not be there.

Mr. CONYERS. That is right.

We have got cases where youngsters, teenagers, sometimes subteenagers, are making so much money that they can come to school in chauffeur-driven cars and fur coats, and they are runners. We have young high school students that tell us that they know where all the drug houses are in Detroit, and they know that they only stay there for 4 to 5 or 6 months and then they move on after the place gets hot; and that it is very easy for them to pick up astronomical sums for young people merely to be the lookout people and delivery boys and that sort of thing.

It is so pervasive that I have had to start working on the community level to coordinate with police and community leaders the identification of these drug houses, which are common knowledge to the citizens but a mystery to the law enforcement officers.

Somehow, with the kind of response that you have given me, we have got to make everybody sensitive that this is not going to wash any more and it is not something, like you say, that just started. This has been ongoing. It is now just becoming so incredibly aggravated that we really have some big problems with it.

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Mr. WEBSTER. I agree.

Mr. CONYERS. Thank you.

Mr. EDWARDS. The time of the gentleman has expired.

Mr. Kastenmeier.

Mr. KASTENMEIER. Thank you, Mr. Chairman.

I really have no further questions. I would like to commend Judge Webster for his appearance today.

I may have just one question, and you may or may not care to answer. This grows out of our colloquy on the use of polygraph, and you indicated the *Chin* case should not be looked on as a determinant.

On an aside—and, as I say, you may or may not wish to comment—Chin, some weeks ago, was found dead in his cell by the strange means of the paper sack over his head. It was said that he committed suicide.

Was the FBI called in to investigate the cause of death, or the circumstances leading to that person's death?

Mr. WEBSTER. I don't recall whether the FBI was called in, but I am quite certain that we involved ourselves in that.

That answer is correct. We did follow up when we learned of it. But we were not called in originally.

Mr. KASTENMEIER. You were satisfied that it was in fact a suicide?

Mr. WEBSTER. So far as I can determine, that is still our conclusion. But there is no current evidence of foul play.

Mr. KASTENMEIER. It seemed like an unusual means of death, and the newspapers apparently didn't speculate too much about it but they seemed to leave some questions in people's minds.

Mr. WEBSTER. Sure.

Mr. KASTENMEIER. Thank you, Judge Webster.

Mr. EDWARDS. The minority members of this subcommittee were unfortunately unable to attend today, but we welcome a new minority counsel, Mr. Slobodin.

Mr. Slobodin, do you have any questions?

Mr. SLOBODIN. No, I don't, Mr. Chairman. But thank you for your welcome.

Mr. EDWARDS. Mr. Conyers, any more questions?

Mr. CONYERS. Yes, sir, Mr. Chairman. I do have a few more.

The Federal Bureau announced that it had concluded that the Jewish Defense League was the possible responsible group in bomb attacks against an Arab leader in California and two east coast men with purported Nazi ties.

What has been the result of that situation since then?

Mr. WEBSTER. That investigation is ongoing and very intensive. No arrests or indictments have taken place at this point. We are making progress. Very considerable effort has been put into solving the problem.

In November, I brought 40 of our top officials from the areas affected and their authorities on terrorism for those areas into Washington for a major conference. Since that time, significant leads and new insights into those activities have taken place. But no arrests have been made at this time.

Mr. CONYERS. You have described Arab-Americans as being in the zone of danger and targets of violence by a group seeking to harm what are called, quote, unquote, "enemies of Israel."

I have had a number of citizens and organizations that have expressed concern about this outbreak of violence against Arab-Americans and organizations they may be members of. I would like to give them assurances that the FBI is pressing ahead on these matters and is working to protect the rights of these groups.

Mr. WEBSTER. I hope you will, Mr. Conyers. We are using every available investigative technique to try and bring these activities to an end.

Mr. KASTENMEIER. Will you yield on that point?

Mr. CONYERS. Yes.

Mr. KASTENMEIER. Are those particular incidents built into your figures on domestic terrorism?

Mr. WEBSTER. I am sure they are.

Mr. CONYERS. I thought that they were.

Mr. WEBSTER. They are terrorist-related incidents.

Just a moment.

Three of the seven reported are in that category.

Mr. KASTENMEIER. Thank you.

Mr. CONYERS. You know there is no question—there seems to be no question—and it is hard for me to figure when you blow up a building that has an Arab organization. Of course, when people come forward to take claim for it, you don't have to figure out if it is terrorists or not.

Mr. WEBSTER. That is right.

Mr. CONYERS. But it seems like the Arab community, because of the international tensions in the Mideast, which seem to become even worse from time to time, has become a targeted community for individual and random acts of violence against them. It seems like that is as terroristic an act and terroristic conduct as any that we can experience that may be happening to Americans outside of our own territorial limits, and should be subject to the same kinds of concerns and definitions and strategies that apply to the whole area of terrorism.

Mr. WEBSTER. There is no difference in our approach to those matters than those in other terrorist activities.

I have met with former Senator Abourezk and others who are concerned about this. You deal with a fear factor which is not really our responsibility, and yet it is because we can add to fear or ignore legitimate concerns if we are not doing our job properly.

There was an explosion here in Washington that happened to contain the offices of the Arab Anti-Defamation League. Two floors above the site of the fire—it was not a bombing; it was a fire, an incendiary operation. We are satisfied from our investigation—and I believe the Metropolitan Police are, as well—that there was no relationship between that fire and the office two stories up.

In fact, there are definite leads that point in other directions for other reasons.

When that happens, people immediately wonder if this is not just another one. We do look into those to see if there is a connection, and we don't ignore them in a way to wait to have something proven to us. But we don't call them a terrorist incident when

there is no basis for believing that it is one. That would unreasonably inflate the figures and appear to be used as a basis for more budgetary things, and we want to be completely honest and consistent with the Congress.

Mr. CONYERS. The FBI authorized Teamster President Jackie Presser to make payments to Government employees on the union payroll and did not fully inform the Department of Justice of the arrangement, thereby dooming the 32-month investigation of Presser.

What is going on in connection with the investigation of Jackie Presser and his prosecution, and how did we get to the stage of events where the Department of Justice encouraged the Presser inquiry as far back as 1983—and that was several years after the FBI had been using him as an informant?

Mr. WEBSTER. Congressman Conyers, I am limited in what I can say to you on this subject because there is an ongoing grand jury investigation into this subject matter, and the Department's handling it. And I would not—I think it would be inappropriate for me to say much, if anything, about it other than to say that we have always tried to keep the Department informed about any activities that might involve any criminal activity or matters that could be subjects of criminal charges.

Occasionally, for reasons of great sensitivity, the level of reporting has been restricted, but there has never been any intention on the part of the FBI to keep any information of this nature from the Department of Justice. And I guess I just can't go beyond that while the grand jury is pending, as to the particular facts.

Mr. CONYERS. Can we talk about the process?

Mr. WEBSTER. Yes. I think certainly if we can get it off the particular individual and talk about the process, I think I am obliged to do that; I would be happy to do it.

Mr. CONYERS. What I am trying to find out is that you say that normally—unless it is very sensitive—we always communicate with the Department of Justice.

Mr. WEBSTER. I meant to say that—I mean to say unless it is very sensitive, there are ordinary channels of communication which do not put any restrictions on dissemination. When it is sensitive, there may be restrictions imposed, either by us or by the Department itself, on who else within the Department is informed. But there is never any attempt to keep the Department in the dark.

Mr. CONYERS. But that is precisely what happened here.

Mr. WEBSTER. Well, I can't—I would like to respond to your question. I really don't see how I can, because I would have to go into the facts.

The Department was possessed of information available to me, and I just really can't go beyond that. I think we better let all those facts be presented to the grand jury and then we will all be in a position to talk about it after they have acted.

Mr. CONYERS. Well, are you able to discuss why the Federal prosecutors in Cleveland, who were investigating the Government employee scheme, were not told that the FBI had approved it?

Mr. WEBSTER. No, I am not able to. I know the answer to that question, I believe, but I am not able to respond to it because that is the subject of the grand jury investigation.

Mr. CONYERS. My last question has to do with the EPA investigation that has now brought the Congress and the Department of Justice into confrontation and has caused the Judiciary Committee to request that counsel be appointed. As you recall, we had some difficulty with getting information and documentation from the Environmental Protection Agency, and that led to the House voting at that time that the head of the Agency should be held in contempt.

That matter was resolved, but ultimately there came up questions regarding the role of the Department of Justice in what they had been doing in terms of cooperating or not cooperating in this matter.

Now we have been advised that there is to be an investigation; that there is apparently going to be a special counsel appointed; that it is in the court's hands; and that the FBI is conducting that investigation.

Is that correct?

Mr. WEBSTER. The FBI has been asked to conduct certain interviews, and I presume that the purpose of those interviews is to determine whether on the basis of the act the independent counsel provisions should be invoked.

We are conducting those interviews.

Mr. CONYERS. Thank you very much.

Mr. EDWARDS. We are just about finished, but I have a quick question that is important to this subcommittee since this subcommittee was the author of the Missing Children's Act a couple years ago.

How many stranger abduction cases did the Bureau handle of children in 1985?

Mr. WEBSTER. Mr. Chairman, was your question how many items were entered by the FBI?

Mr. EDWARDS. How many children abducted by stranger cases did you handle in 1985? We are not talking about most of the cases which are custodial disputes.

Mr. WEBSTER. Yes. Let me be sure I have the right figures to give you on that.

Last year, the FBI conducted investigations in 160 cases under the Federal kidnaping statute, which would be abduction. Of the 160 cases, 56 involved children.

I am not certain whether those figures include the parental kidnaping.

Mr. EDWARDS. If you could provide that for the record, that would be fine.

[The information follows:]

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U.S. Department of Justice

Federal Bureau of Investigation

Office of the Director

Washington, D.C. 20535

April 22, 1986

Honorable Don Edwards
Chairman
Subcommittee on Civil and
Constitutional Rights
Committee on the Judiciary
House of Representatives
Washington, D. C.

Dear Mr. Chairman:

When I appeared and testified before you at the Oversight Hearing on FBI Authorization March 14, 1986, you had asked a question regarding kidnapings involving children. I had testified that in calendar year 1985 the FBI conducted investigations in 160 cases under the Federal Kidnaping Statute and of these 160 cases, 56 involved children. I was not certain at the time, and I so stated, whether or not these figures included the figures for parental kidnapings. Upon a further review of our records regarding these matters it has been determined that they did not. During calendar year 1985, the FBI also investigated a total of 362 Unlawful Flight to Avoid Prosecution (UFAP) cases where the underlying felony was parental abduction. One hundred sixty-six UFAP complaints were filed during that period and 104 arrests were made. These accomplishments take into account that the FBI had 297 of these cases pending at the beginning of 1985. The primary responsibility in these cases is with the state and local authorities. The FBI's jurisdiction is strictly limited by assisting the local authorities in locating and apprehending the abducting parent.

This letter is provided to you for the record and if I can be of any further assistance to you in this matter please do not hesitate in letting me know.

Sincerely yours,

William H. Webster
Director

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Mr. EDWARDS. Lastly, this act gave parents and guardians the right to confirm entry of data on a missing child in the NCIC. Do you have a record of how many times that was used where parents or guardians went to the FBI to see if the identification of the missing child had been entered in the NCIC?

Mr. WEBSTER. I think I do, Mr. Chairman.

We had only a relatively few number of requests of this kind. I don't have the figures in front of me of the increases in entries by local law enforcement. I think the enactment of the statute probably triggered a greater willingness by local law enforcement to do their own business than to have us do it.

The reason, as the chairman knows, why we were reluctant to get involved beyond the extent that we did was we don't police the files. It is up to the person who puts the entry in to report when that child is found. We don't want people being arrested because the files have not been purged. So it is better for the people who put them in to correct the record, because they will be the ones who know.

We don't investigate missing children, as such. So we said we would only do it where the local law enforcement agency refused to do it. They are apparently doing it, because we are not getting asked to do too many.

Last year, including the areas in which we have jurisdiction, the number of entries was 61.

Mr. EDWARDS. That is very helpful.

If there are no more questions, we thank you very much for your testimony. It was a good hearing and we appreciate your coming.

Mr. WEBSTER. Thank you. It is a pleasure and honor to appear, Mr. Chairman.

[Whereupon, at 11:35 a.m., the subcommittee adjourned, subject to the call of the Chair.]

FBI AUTHORIZATION REQUEST FOR FISCAL YEAR 1987

MONDAY, MARCH 24, 1986

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON CIVIL AND CONSTITUTIONAL RIGHTS,
COMMITTEE ON THE JUDICIARY,
Washington, DC.

The subcommittee met, pursuant to call, at 9:30 a.m., in room 2226, Rayburn House Office Building, Hon. Don Edwards (chairman of the subcommittee) presiding.

Present: Representatives Edwards, Kastenmeier, Schroeder, and Sensenbrenner.

Staff present: James X. Dempsey, assistant counsel; and Alan M. Slobodin, associate counsel.

Mr. EDWARDS. The subcommittee will come to order.

This morning we hold the second in our annual series of oversight/authorization hearings for the FBI. We focus today on the National Crime Information Center, which has long been a matter of keen interest to the subcommittee. In addition, we expand our attention to include the Bureau's Identification Division, which has become increasingly computerized.

We will consider a number of issues today. First, with respect to the National Crime Information Center, is the continuing question of data quality. The National Crime Information Center staff, we believe, is committed to data quality and works through audit teams, improved procedures and constant efforts with the Advisory Policy Board, but instances of erroneous or outdated records persist.

Second, we want to consider the relationship between the National Crime Information Center and the Identification Division. The Interstate Identification Index or Triple I is a decentralized criminal record system. The Identification Division also maintains a criminal record system. Is this a duplication and, if not, why not?

Third, is the issue of artificial intelligence and the FBI's plans in that area.

We have a distinguished and knowledgeable panel of witnesses and we look forward to their testimony on these and other issues.

Before I introduce the panel, I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Thank you very much, Mr. Chairman.

Because I have to be at home in about 45 minutes, I am not going to be able to be here through most of the question period today. However, I am concerned about proposals that will be

coming up in the House shortly after the Easter Recess that will put the FBI and the Bureau of Alcohol, Tobacco and Firearms in the business of processing reports of sales of firearms. The concern that I have is whether the FBI has got the capability to do that through your computerized identification operation and if you do not, how much additional money will be necessary in order to comply with the reporting provisions of the bill that was reported out of the Judiciary Committee on a unanimous vote?

So if I can not be here, I would hope that our distinguished witnesses would answer those questions, or if they are unable to do so, to provide us with some indication in writing for purposes of the record, sometime before the 8th of April.

Thank you very much, Mr. Chairman.

Mr. EDWARDS. The gentlewoman from Colorado.

Mrs. SCHROEDER. Thank you. I want to apologize. I am going to be gone for a while and come back. I am really delighted to have you here. Thank you.

Mr. EDWARDS. I would like to welcome William Bayse, Assistant Director for the Technical Services Division, Mr. Kier T. Boyd, a Deputy Assistant Director, and Mr. David Nemecek, National Crime Information Center Section Chief. All three are old friends of the committee, and have appeared before and are highly respected. From time to time we have had differences with them on policy matters, but we always value their judgment and professionalism.

We also welcome Lawrence K. York, Assistant Director for the Identification Division. He is accompanied by Melvin D. Mercer, Section Chief for the Identification Division, and Charles Neudorfer, also Section Chief for the Identification Division.

Gentlemen, before you begin, I would ask you to rise and be sworn.

[The six witnesses were sworn.]

Mr. EDWARDS. Mr. Bayse.

TESTIMONY OF WILLIAM A. BAYSE, ASSISTANT DIRECTOR, TECHNICAL SERVICES DIVISION, FEDERAL BUREAU OF INVESTIGATION, ACCOMPANIED BY KIER T. BOYD, A DEPUTY ASSISTANT DIRECTOR, AND DAVID NEMECEK, NATIONAL CRIME INFORMATION CENTER SECTION CHIEF

Mr. BAYSE. Mr. Chairman, I have a statement to enter for the record, but I would like to summarize—read a summary portion of the prepared statement—at your discretion.

Mr. EDWARDS. Yes, without objection, all of the full statements will be made part of the record.

Mr. BAYSE. Then I will summarize the statement and then Mr. York will be able to do the same thing.

Mr. Chairman, and subcommittee members, I am pleased to appear before you today in response to your inquiries concerning the National Crime Information Center and the FBI's automation initiatives, especially artificial intelligence, to improve the productivity and effectiveness of its investigative mission.

A concerted area of our effort and resource utilization—one of continuing interest to this subcommittee—is improvement of data quality in National Crime Information Center. We accomplish this

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on a number of fronts: automated edits of data entering the system to reject identifiable errors, a quality control staff to seek out and correct faulty records which pass the initial edits, an audit staff to perform on site inspections at the State and local levels, and a training staff to improve the professionalism of the system's users so that they may effectively form the front line defense against inaccurate data entering the system and outdated data being erroneously retained to the detriment of our citizens.

I wish to share with you a selected list of accomplishments which have been achieved during the last year in the quality control/quality assurance area:

The National Crime Information Center Audit staff conducted audits in 13 States. We made these audit records available to the subcommittee as they became available. Our 1985 audits ensured compliance with National Crime Information Center standards and regulations, and data quality at 211 local criminal justice agencies, including a review of more than 17,000 individual entries in the wanted person, missing person, and vehicle files. As a direct consequence, 492 records were either removed from the system or corrected. During the 18 months we have performed these audits we have determined that 96.2 percent of the records are accurate and valid.

Our audit program has effectively documented the need for increased State participation in quality control/quality assurance efforts to meet standards enunciated by National Crime Information Center's Advisory Policy Board. These include:

The certification of terminal operators at the user level.

The assurance that law enforcement personnel receive at least a minimal level of training in National Crime Information Center and their responsibilities as users.

The creation of a State entity to perform on site audits of user agencies on at last a biennial basis, specifically to include data quality at each agency.

The requirement that an agency entering a record in the National Crime Information Center validate its accuracy and currency by recontacting the source, such as the owner of a stolen vehicle to confirm that it is still missing.

The requirement to log automatically the name of the individual requesting a criminal history record.

The appointment of a coordinator for each terminal agency.

As the result of our audits we note these favorable trends:

State agencies are enhancing their quality assurance staffs.

States are improving the documentation of their training programs.

States are upgrading their security efforts.

States are developing contractual agreements with the local agencies they support, specifically enumerating responsibilities and standards for maintaining data quality.

Training by the National Crime Information Center staff included:

A liability seminar, attended by over 900 top level administrators and their assistants, which reviewed system policies, articulated principles of good record management, apprised attendees of both agency and personal liability which may arise from poor record

management, and stressed the importance of having complete records and timely validation of their currency.

A 1 week seminar on quality assurance for two attendees from each State, to present a variety of proven quality control programs and acquaint them with the broad array of quality assurance research data developed by National Crime Information Center.

Implementation of a program which permits the National Crime Information Center quality assurance staff automatically to log and track the number and type of serious errors, identified by agency entering the record, so that remedial action may be pursued.

Construction of an automated serial number matrix which extends quality control to approximately 555,000 hot file records not previously so examined for the presence of serious errors.

The FBI's commitment to enhancing National Crime Information Center's data quality is reflected in the fact that two thirds of the National Crime Information Center section's on board staff is engaged in these activities, specifically: 20 employees assigned to the audit staff; 11 employees assigned to quality assurance research; 12 employees assigned to error sampling and record review; 4 employees assigned to error notification and follow-up action; and 6 employees assigned to training at the State level.

Mr. Chairman, in response to your question concerning access to the Interstate Identification Index for licensing, employment, and other noncriminal justice purposes, we are still in the second phase of testing this system and the records are available only for criminal justice purposes. Two contractors—Search Group, Inc., and Attorney Raymond Young—have completed their study and analyses of applicable State laws, police, and record management practices in this area. These studies will be examined by the Advisory Policy Board preparatory to recommending how phase three should be structured.

During the past year we witnessed a 10-percent increase in the number of National Crime Information Center transactions, which totaled 168.5 million. We consider this a users' vote of confidence in the system which has twice documented its value to the criminal justice community: 47,600 wanted felons and 8,800 missing persons identified as a direct consequence of the system and 220,000 vehicles located as the result of an National Crime Information Center hit.

In addition to the accomplishments attributable to the hot files, the National Crime Information Center operations staff last year conducted nearly 2,000 off-line searches to aid specific investigations by Federal, State, and local law enforcement. Documented results of the searches include $2.1 million in stolen property recoveries and 183 arrests, based upon a 13-percent return rate of our questionnaires. These accomplishments alone more than justify the $9.59 million which the Federal Government invested last year in the system. At 5.7 cents per transaction, National Crime Information Center has proven value.

Turning to the subcommittee's queries concerning the use of automation to support the FBI's investigative mission, our strategic direction was first enunciated in 1981 by means of a long range automatic data processing and telecommunications plan which

called for the integration of automated investigative support systems and judicious use of an emerging technology called artificial intelligence, or more specifically knowledge-based expert systems. Phenomena compelling this direction are:

The fact that the scope and complexity of today's major investigations require automation support which transcends traditional data base functionality and extends our investigative information systems to encompass intellectual processes related to complex investigations.

The realization that to existing systems, such as the organized crime information system, we had to add and preserve the expertise and institutional knowledge possessed by leading practitioners, investigators, and prosecutors.

The awareness that these expert, knowledge-based systems must be capable of drawing correct inferences when there are gaps in available information or where there is conflicting information.

Approximately a year ago, a specific agenda was evaluated by FBI executives and four of these initiatives are underway. With the recent award of a contract to perform the National Crime Information Center 2000 Study, we will see additional such systems—ones to detect and identify probable faulty data and ones to spot potential emerging patterns of criminality suggesting an organized effort, such as the existence of a professional auto theft ring. Another aspect of artificial intelligence for National Crime Information Center is the detection of attempts at unauthorized access and/or operations which could impinge on privacy or civil and constitutional rights. Expert systems currently receiving attention are:

A labor racketeering module to the organized crime information system. This is in an advanced prototype stage and will shortly be used at FBI headquarters to assist in a major investigative effort where its efficiency and effectiveness can be evaluated vis-a-vis existing manual and automated systems. We anticipate a production version will be available later this year.

A system to support the FBI's counterterrorism mission. A prototype has been tested and full capabilities are envisioned during the third quarter of this year.

A standard name search algorithm is being developed for use across all automated systems. This will emulate the cognitive processes of our best searchers as they encounter names of all nationalities.

A system to analyze the movement of aircraft and vessels which may possess narcotics. This will assist narcotics interdiction efforts of the El Paso Intelligence Center and we anticipate its initial use in May 1987.

To expand upon one area, the use of expert systems to improve National Crime Information Center data quality, we believe it is feasible to determine analytically and statistically which records entering the system are the most likely candidates for inspection and perform many of those processes automatically. Through pattern analysis and various statistical tools it should be feasible to detect possible inappropriate use of the system by comparing queries with the statistical norms established by users of similar size and mission.

Moving now to the cybernetic integrated investigative information system, or CIIIS, this is not a new system per se, but rather the integration of common functions which exist in our investigative support systems and the Field Office Information Management System. Such functions include automated data capture, such as that emanating from dialed number recorders; collation of data, such as negotiable instruments involved in a fraud investigation; various analytical criminal activities, and general retrieval of investigative information.

In addition, resource allocations will be captured to assist FBI executives and managers in formulating strategies and applying investigative resources. Our automation strategy calls for CIIIS to be completed by the end of fiscal year 1988.

Mr. Chairman, while we are pleased with our progress to date in achieving substantive improvements in data quality, assisting the States in matching these efforts, and in making the FBI's automated tools adaptive to present and future investigative needs we are committed to accelerating these efforts in the future and we welcome your support.

I will be pleased to respond to the subcommittee's questions.

[The prepared statement of Mr. Bayse follows:]

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U.S. Department of Justice

Federal Bureau of Investigation

Washington, D.C. 20535

STATEMENT OF

ASSISTANT DIRECTOR

WILLIAM A. BAYSE

FEDERAL BUREAU OF INVESTIGATION

BEFORE THE

SUBCOMMITTEE ON CIVIL

AND CONSTITUTIONAL RIGHTS

MARCH 24, 1986

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Mr. Chairman and Subcommittee Members, I am pleased to appear before you today in response to your inquiries concerning the National Crime Information Center (NCIC) and the FBI's automation initiatives, especially Artificial Intelligence, to improve the productivity and effectiveness of its investigative mission.

A concerted area of our effort and resource utilization -- one of continuing interest to this Subcommittee -- is improvement of data quality in NCIC. We accomplish this on a number of fronts: automated edits of data entering the system to reject identifiable errors, a quality control staff to seek out and correct faulty records which pass the initial edits, an audit staff to perform on-site inspections at the state and local levels, and a training staff to improve the professionalism of the system's users so that they may effectively form the front line defense against inaccurate data entering the system and outdated data being erroneously retained to the detriment of our citizens.

I wish to share with you a selected list of accomplishments which have been achieved during the last year in the quality-control/quality-assurance area:

- The NCIC Audit Staff conducted audits in 13 states. As the reports become available we are forwarding them to this Subcommittee. Our 1985 audits measured compliance with NCIC standards and regulations, and data quality at 211 local criminal justice agencies, including a review of more than

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standards and regulations, and data quality at 211 local criminal justice agencies, including a review of more than 17,000 individual entries in the Wanted Person, Missing Person, and Vehicle files. As a direct consequence, 492 records were either removed from the system or corrected. During the eighteen months we have performed these audits we have determined that 96.2% of the records are accurate and valid.

- Our Audit Program has effectively documented the need for increased state participation in quality-control/quality-assurance efforts to meet standards enunciated by NCIC's Advisory Policy Board. These include:
  - The certification of terminal operators at the user level
  - The assurance that law enforcement personnel receive at least a minimal level of training in NCIC and their responsibilities as users
  - The creation of a state entity to perform on-site audits of user agencies on at least a biennial basis, specifically to include data quality at each agency
  - The requirement that an agency entering a record in NCIC validate its accuracy and currency by recontacting the source, such as the owner of a stolen vehicle to confirm that it is still missing
  - The requirement to log automatically the name of the individual requesting a criminal history record

- The appointment of a coordinator for each terminal agency

As the result of our audits we note these favorable trends

- State agencies are enhancing their quality assurance staffs
- States are improving the documentation of their training programs
- States are upgrading their security efforts
- States are developing contractual agreements with the local agencies they support, specifically enumerating responsibilities and standards for maintaining data quality

- Training by the NCIC staff included:
  - A liability seminar, attended by over 900 top-level Administrators and their Assistants, which reviewed system policies, articulated principles of good record management, apprised attendees of both agency and personal liability which may arise from poor record management, and stressed the importance of having complete records and timely validation of their currency
  - A one-week seminar on quality assurance for two attendees from each state, to present a variety of proven quality control programs and acquaint them with a broad array of quality-assurance research data developed by NCIC

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- Implementation of a program which permits the NCIC quality assurance staff automatically to log and track the number and type of serious errors, identified by agency entering the record, so that remedial action may be pursued
- Construction of an automated serial number matrix which extends quality control to approximately 555,000 "hot file" records not previously so examined for the presence of serious errors

The FBI's commitment to enhancing NCIC's data quality is reflected in the fact that two-thirds of the NCIC Section's on-board staff is engaged in these activities, specifically:

- 20 employees assigned to the Audit Staff
- 11 employees assigned to Quality Assurance Research
- 12 employees assigned to error sampling and record review
- 4 employees assigned to error notification and follow-up action
- 6 employees assigned to training at the state level

Mr. Chairman, in response to your question concerning access to the Interstate Identification Index for licensing, employment, and other non-criminal justice purposes, we are still in the second phase of testing this system and the records are available only for criminal justice purposes. Two contractors -- Search Group, Incorporated, and Attorney Raymond Young -- have completed their study and analyses of applicable state laws, policies, and record management practices in this area. These studies will be examined by the Advisory Policy Board preparatory to recommending how phase three should be structured.

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During the past year we witnessed a 10% increase in the number of NCIC transactions, which totaled 168.5 million. We consider this a users' vote of confidence in the system which has twice documented its value to the criminal justice community: 47,600 wanted felons and 8,800 missing persons identified as a direct consequence of the system (a 1984 study) and 220,000 vehicles located as the result of an NCIC hit (a 1981 study). In addition to the accomplishments attributable to the "hot files," the NCIC Operations Staff last year conducted nearly 2,000 off-line searches to aid specific investigations by Federal, state, and local law enforcement. Documented results of the searches include $2.1 million in stolen property recoveries and 183 arrests, based upon a 13% return rate of our questionnaires. These accomplishments alone more than justify the $9.59 million which the Federal Government invested last year in the system. At 5.7 cents per transaction, NCIC has proven value.

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Turning to the Subcommittee's queries concerning the use of automation to support the FBI's investigative mission, our strategic direction was first enunciated in 1981 by means of a long-range automatic data processing and telecommunications plan which called for the integration of automated investigative support systems and judicious use of an emerging technology called Artificial Intelligence (AI), or, more specifically, knowledge-based expert systems. Phenomena compelling this direction were:

- The fact that the scope and complexity of today's major investigations require automation support which transcends traditional database functionality and extends our investigative information systems to encompass intellectual processes related to complex investigations.
- The realization that to existing systems such as OCIS -- the Organized Crime Information System -- we had to add and preserve the expertise and institutional knowledge possessed by leading practitioners, investigators and prosecutors
- The awareness that these expert, knowledge-based systems must be capable of drawing correct inferences when there are gaps in available information or where there is conflicting information.

Approximately a year ago, a specific agenda was evaluated by FBI executives and four of these initiatives are under way. With the recent award of a contract to perform the NCIC 2000 Study we will see additional such systems: Ones to detect and identify probable faulty data and ones to spot

potential emerging patterns of criminality suggesting an organized effort, such as the existence of a professional auto-theft ring. Another aspect of AI for NCIC is the detection of attempts at unauthorized access and/or operations which could impinge on privacy or civil and constitutional rights. Expert systems currently receiving attention are:

- A labor racketeering module to the Organized Crime Information System. This is in an advanced prototype stage and will shortly be used at FBI Headquarters to assist in a major investigative effort where its efficiency and effectiveness can be evaluated vis-a-vis existing manual and automated systems. We anticipate a production version will be available later this year.
- A system to support the FBI's counterterrorism mission. A prototype has been tested and full capabilities are envisioned during the third quarter of this year.
- A standard name-search algorithm is being developed for use across all automated systems. This will emulate the cognitive processes of our best searchers as they encounter names of all nationalities.
- A system to analyze the movement of aircraft and vessles which may possess narcotics. This will assist narcotics interdiction efforts of the El Paso Intelligence Center and we anticipate its initial use in May 1987.

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To expand upon one area, the use of expert systems to improve NCIC data quality, we believe it is feasible to determine analytically and statistically which records entering the system are the most likely candidates for inspection and perform many of those processes automatically. Through pattern analysis and various statistical tools it should be feasible to detect possible inappropriate use of the system by comparing queries with the statistical norms established by users of similar size and mission.

Moving now to the Cybernetic Integrated Investigative Information System, or "C I-CUBED S," this is not a new system per se, but rather the integration of common functions which exist in our Investigative Support Systems and the Field Office Information Management System. Such functions include automated data capture, such as that emanating from dialed number recorders; collation of data, such as negotiable instruments involved in a fraud investigation; various analytical capabilities, such as asset levels versus certain possible criminal activities; and general retrieval of investigative information. In addition, resource allocations will be captured to assist FBI executives and managers in formulating strategies and applying investigative resources. Our automation strategy calls for CI^3 S to be completed by the end of Fiscal Year 1988.

Mr. Chairman, while we are pleased with our progress to date in achieving substantive improvements in data quality, assisting the states in matching these efforts, and in making the FBI's automated tools adaptive to present and future investigative needs we are committed to accelerating these efforts in the future and we welcome your support. I will be pleased to respond to the Subcommittee's questions.

Mr. EDWARDS. Mr. York is the Assistant Director, Indentification Division.

Mr. York, do you have a statement?

TESTIMONY OF LAWRENCE K. YORK, ASSISTANT DIRECTOR, IDENTIFICATION DIVISION, FBI, ACCOMPANIED BY MELVIN D. MERCER, JR., AND CHARLES D. NEUDORFER, SECTION CHIEFS

Mr. YORK. Yes, Mr. Chairman. I, too, shall summarize.

Mr. Chairman, members of the subcommittee, I appreciate the opportunity to appear before you today to discuss the Identification Division, the relationship between it and the National Crime Information Center's Interstate Identification Index, and our automated fingerprint identification and transmission capabilities.

The Identification Division was established in 1924 by an act of Congress. We now have criminal records on more than 23 million individuals. Each record is supported by the individual's fingerprints and is assigned a unique FBI number. We currently receive over 28,000 fingerprint cards each day with these submissions almost equally divided between criminal justice agencies and noncriminal justice agencies. Our average processing time for fingerprint card submissions is 13 workdays.

The system performs identification and criminal history record information functions for Federal, State, local, and foreign criminal justice agencies, and for noncriminal justice agencies, and other entities where authorized by Federal statute, State statute pursuant to Public Law 92-544, Presidential Executive order, or regulation of the Attorney General of the United States. In addition, identification assistance is provided in disasters and for other humanitarian purposes.

Until the early 1970's, the Identification Division was a labor intensive manual system. At that time, our top priority was to develop an automated system capable of handling the large numbers of fingerprint cards being received each day. Our intent was to reduce costs, improve record search accuracy, and reduce processing time so we could respond to requests for a criminal record in a timely manner.

The Automated Identification Division System is the computerized system being developed to replace the traditional manual fingerprint card processing functions within the Identification Division. Implementation of the Automated Identification Division System is a three phase plan.

The Automated Identification Division System Phase 1 was implemented in August 1973, and has been superseded by the Automated Identification Division System Phase 2.

The Automated Identification Division System—Phase 1 provided for the computerization of the names, physical descriptors, and arrest data appearing on the incoming fingerprint cards of first-time offenders, and for the computer generation of "no record" responses to the contributors of the cards. Once records were entered in the Automated Identification Division System—Phase 1, they could be updated with subsequent arrest and disposition data, and computer-printed "rap sheets" could be generated in response to requests for such records. As of March 6, 1986, we had 9,482,353

Automated Identification Division System criminal history records. This figure is increasing by about 15,000 records each week.

The Automated Identification Division System—Phase 2 became operational in October 1979, and we are still operating in this phase. This phase provides expanded Automated Identification Division System—Phase 1 capabilities, as well as automated name searching of the computerized arrest record file.

In January 1985, we contracted with Science Applications International Corp. to design and implement the Automated Identification Division System—Phase 3. The Automated Identification Division System—Phase 3 will use computers and modern work transport technologies to integrate the division's current automated arrest record information system, automated name search system, and automated fingerprint search system into one high-performance document processing system. The average processing time for a fingerprint card under the Automated Identification Division System—Phase 3 will be less than 18 hours. The Automated Identification Division System—Phase 3 is expected to be fully operational by the end of 1987.

The relationship between the National Crime Information Center and the Automated Identification Division System primarily involves the Interstate Identification Index. As you know, the Interstate Identification Index is a Federal/State effort to immediately provide, via the National Crime Information Center, the criminal records from all 50 States, along with the records of Federal offenders based on a name/descriptor search. The records are available only for criminal justice purposes. A single State agency in each State is to be responsible for providing the State's records. For States without the ability to provide records for Interstate Identification Index purposes, we provide the information from the Automated Identification Division System. Currently, there are 17 State agencies providing their records for this program, while we provide the records for the other 33 States and for Federal offenders.

Approximately 10 million of our 23 million criminal history records are in the Automated Identification Division System and these are the records available through the Interstate Identification Index. Users are cautioned that a negative response from the Interstate Identification Index does not mean that no criminal record exists. They should still check the Identification Division System to be sure no criminal record exists at the FBI. Users are also cautioned that a positive response based on name and description does not mean that the person on whom the inquiry is made is identical to the subject of the record. They must use professional judgment in establishing the positive identification before taking any action.

For all records indexed in the Interstate Identification Index, there must be corresponding arrest fingerprint cards on file with us. This provides positive identification of the individual and helps to ensure that the index record is complete, regardless of the name used at the time of arrest.

Criminal justice agencies in all 50 States and many Federal law enforcement agencies use the Interstate Identification Index to obtain records for official criminal justice purposes, including employment with a criminal justice agency. Implementation of the

Interstate Identification Index, like the Automated Identification Division System, is a three-phase plan. We are presently in the second phase of testing the Interstate Identification Index.

The FBI Identification Division provides other services to the criminal justice community. For example, our Latent Fingerprint Section processes evidence submitted by State and local law enforcement agencies. Our experts will develop the latent prints, compare them against prints of suspects, and even provide expert testimony in the courts. There have been significant advances in the science of fingerprints, including the use of lasers to develop prints and the ability to develop identifiable latent prints on human skin. In addition, the FBI has developed some limited latent print computerized capabilities.

The FBI pioneered the research and development of automated systems capable of reading, searching, and storing fingerprint minutiae. Our first priority was to develop a system capable of handling our enormous daily average receipt of fingerprint cards, with a lower priority to develop a system capable of searching latent fingerprints. Subsequently, vendors used this technology to develop systems with the capability of searching latent fingerprints, the first priority of local agencies. Some local agencies have installed systems and have successfully conducted latent searches.

The California Department of Justice has implemented a system that has the capability of automatically searching fingerprint cards and latent prints from crime scenes against fingerprints stored in the system's data base. Their system can also automatically retrieve fingerprint images from the data base. The FBI has two different systems for latent fingerprint searching--the latent descriptor index, and the automated latent system model. Although our systems are comparable to California's and we have had several successes in solving cases wherein latent fingerprints were detected, we believe our technology presently lags behind that of the California system.

We plan to continue to work toward completion of an automated latent system capable of searching against our data base of 18 million fingerprint cards. It is our desire that it have the best search performance capability available.

The FBI has supported and contributed to the cooperative effort of the National Bureau of Standards and the International Association for Identification to specify a standard format for the exchange of fingerprint minutiae and image data for automated identification. The standard format is being developed by local, State, and Federal law enforcement agencies in order to permit the exchange of fingerprint data between users of automated systems from different manufacturers. The Automated Identification Division System—Phase 3 online system, along with the standard format, will make it technically possible to implement a direct inquiry into the Identification Division fingerprint file by State and local agencies. If funds are available to design and implement this type of interface, this technique can become operational.

The Identification Division operates a service where police agencies can forward, by facsimile transmission, fingerprint cards requiring immediate search and a reply. This service becomes even more important after remote search of the Identification Division

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fingerprint file can be performed using the standard format for minutiae exchange, as well as continuing a timely service for agencies not having automated systems. If funding is available, we will be able to improve this facsimile service by using newer, digital facsimile equipment.

Many State and local agencies procuring automated fingerprint searching systems are also procuring automated image storage and retrieval systems capable of high speed, high quality fingerprint image transmission between their agencies. The Identification Division has also been working to develop a system capable of interfacing to these advanced image systems.

We have completed a study on our image storage and retrieval system needs for internal fingerprint processing. If funds become available, we will proceed to build a system which addresses our internal image storage and retrieval requirements. The next logical expansion will be the ability to exchange fingerprint images electronically with those State and local agencies having a similar capability. This will then truly place the fingerprint identification processes on a real time basis as a nationwide service.

This concludes my formal statement. I will be happy to answer any questions which you or the other subcommittee members may have.

[The prepared statement of Mr. York follows:]

U.S. Department of Justice

Federal Bureau of Investigation

Washington, D.C. 20537

STATEMENT OF

ASSISTANT DIRECTOR

LAWRENCE K. YORK

FEDERAL BUREAU OF INVESTIGATION

BEFORE THE

SUBCOMMITTEE ON CIVIL

AND CONSTITUTIONAL RIGHTS

MARCH 24, 1986

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Mr. Chairman and members of the Subcommittee. I appreciate the opportunity to appear before you today to discuss the Identification Division, the relationship between it and the National Crime Information Center's (NCIC) Interstate Identification Index (III), and our automated fingerprint identification and transmission capabilities.

The Identification Division was established in 1924 by an Act of Congress. We now have criminal records on more than 23 million individuals. Each record is supported by the individual's fingerprints and assigned a unique FBI Number. We currently receive over 28,000 fingerprint cards each day with these submissions almost equally divided between criminal justice agencies (arrest and confinement cards) and noncriminal justice agencies (applicant and security background cards). Our average processing time for fingerprint card submissions is 13 workdays.

The system performs identification and criminal history record information functions for Federal, state, local, and foreign criminal justice agencies, and for noncriminal justice agencies, and other entities where authorized by Federal statute, state statute pursuant to Public Law 92-544, Presidential Executive Order, or regulation of the Attorney General of the United States. In addition, identification assistance is provided in disasters and for other humanitarian purposes.

Until the early 1970'S, the Identification Division was a labor-intensive manual system. At that time, our top priority was to develop an

automated system capable of handling the large number of fingerprint cards being received each day. Our intent was to reduce costs, improve record search accuracy, and reduce processing time so we could respond to requests for a criminal record in a timely manner.

The Automated Identification Division System (AIDS) is the computerized system being developed to replace the traditional manual fingerprint card processing functions within the Identification Division. Implementation of AIDS is a three-phase plan.

AIDS-Phase One was implemented in August 1973, and has been superseded by AIDS-Phase Two. AIDS-Phase One provided for the computerization of the names, physical descriptors, and arrest data appearing on the incoming fingerprint cards of first-time offenders, and for the computer generation of "no record" responses to the contributors of the cards. Once records were entered in AIDS-Phase One, they could be updated with subsequent arrest and disposition data, and computer-printed rap sheets could be generated in response to requests for such records. As of March 6, 1986, we had 9,482,353 AIDS criminal history records. This figure is increasing by about 15,000 records each week.

AIDS-Phase Two became operational in October 1979, and we are still operating in this Phase. This Phase provides expanded AIDS-Phase One capabilities, as well as automated name searching of the computerized arrest record file.

In January 1985, we contracted with Science Applications International Corporation to design and implement AIDS-Phase Three. AIDS-Phase Three will use computers and modern work-transport technologies

to integrate the Division's current automated arrest record information system, Automated Name Search System, and Automated Fingerprint Search System into one high-performance document processing system. The average processing time for a fingerprint card under AIDS-Phase Three will be less than 18 hours. AIDS-Phase Three is expected to be fully operational by the end of 1987.

The relationship between NCIC and AIDS primarily involves the III. As you know, the III is a Federal/state effort to immediately provide via NCIC the criminal records from all 50 states, along with the records of federal offenders based on a name/descriptor search. The records are available only for criminal justice purposes. A single state agency in each state is to be responsible for providing the state's records. For states without the ability to provide records for III purposes, we provide the information from AIDS. Currently, there are 17 state agencies providing their records for this program, while we provide the records for the other 33 states and federal offenders. Approximately ten million of our 23 million criminal history records are in AIDS and these are the records available through III. Users are cautioned that a negative response from III does not mean no criminal record exists. They should still check our system to be sure no criminal record exists at the FBI. Users are also cautioned that a positive response based on name and description does not mean that the person on whom the inquiry is made is identical to the subject of the record. They must use professional judgement in establishing a positive identification before taking any action.

For all records indexed in III there must be corresponding arrest fingerprint cards on file with us. This provides positive

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identification of the individual and helps to ensure that the index record is complete regardless of the name(s) used at the time of arrest.

Criminal justice agencies in all 50 states and many federal law enforcement agencies use the III to obtain records for official criminal justice purposes (including employment with a criminal justice agency). Implementation of III, like AIDS, is a three-phase plan. We are presently in the second phase of testing III.

The FBI Identification Division provides other services to the criminal justice community. For example, our Latent Fingerprint Section processes evidence submitted by state and local law enforcement agencies. Our experts will develop the latent prints, compare them against prints of suspects, and even provide expert testimony in the courts. There have been significant advances in the science of fingerprints, including the use of lasers to develop prints and the ability to develop identifiable latent prints on human skin. In addition, the FBI has developed some limited latent print computerized capabilities.

The FBI pioneered the research and development of automated systems capable of reading, searching, and storing fingerprint minutiae. Our first priority was to develop a system capable of handling our enormous daily average receipt of fingerprint cards, with a lower priority to develop a system capable of searching latent fingerprints. Subsequently, vendors used this technology to develop systems with the capability of searching latent fingerprints, the first priority of local agencies. Some local agenices have installed systems and have successfully conducted latent searches.

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The California Department of Justice (CAL-ID) has implemented a system that has the capability of automatically searching fingerprint cards and latent prints from crime scenes against fingerprints stored in the system's data base. Their system can also automatically retrieve fingerprint images from the data base. The FBI has two different systems for latent fingerprint searching -- the Latent Descriptor Index (LDI) and the Automated Latent System Model (ALSM). Although our systems are comparable to California's and we have had several successes in solving cases wherein latent fingerprints were detected, we believe our technology presently lags behind that of the California system.

We plan to continue to work toward completion of an automated latent system capable of searching against our data base of 18 million fingerprint cards. It is our desire that it have the best search performance available.

The FBI has supported and contributed to the cooperative effort of the National Bureau of Standards and the International Association for Identification to specify a standard format for exchange of fingerprint minutiae and image data for automated identification. The standard format is being developed by local, state, and federal law enforcement agencies in order to permit the exchange of fingerprint data between users of automated systems from different manufacturers. The AIDS-Phase Three on-line system, along with the standard format, will make it technically possible to implement a direct inquiry into the Identification Division fingerprint file by state and local agencies. If funds are available to design and implement this type of interface, this technique can become operational.

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The Identification Division operates a service where police agencies can forward, by facsimile transmission, fingerprint cards requiring immediate searching and a reply. This service becomes even more important after remote search of the Identification Division fingerprint file can be performed using the standard format for minutiae exchange, as well as continuing a timely service for agencies not having automated systems. If funding is available, we will be able to improve this facsimile service by using newer, digital facsimile equipment.

Many state and local agencies procuring automated fingerprint searching systems are also procuring automated image storage and retrieval systems capable of high speed, high quality fingerprint image transmission between their agencies. The Identification Division has also been working to develop a system capable of interfacing to these advanced image systems. We have completed a study on our image storage and retrieval system needs for internal fingerprint processing. If funds become available, we will proceed to build a system which addresses our internal image storage and retrieval requirements. The next logical expansion will be the ability to exchange fingerprint images electronically with those state and local agencies having a similar capability. This will then truly place the fingerprint identification processes on a real time basis as a nationwide service.

This concludes my formal statement. I will be happy to answer any questions which you or other Subcommittee Members may have.

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Mr. EDWARDS. Thank you very much, Mr. York.

Mr. Sensenbrenner.

Mr. SENSENBRENNER. Thank you very much, Mr. Chairman.

I will reiterate the question that I asked in my opening statement. The Judiciary Committee's version of the gun bill does require certain reports to be submitted to the FBI and/or the Bureau of Alcohol, Tobacco and Firearms, about all firearms sales. I would assume that in order for any of this information to be at all usable for law enforcement it will have to be automated and computerized.

Do you presently have the capability to pick up the requirements imposed upon Federal law enforcement by the Judiciary Committee's bill, and if you don't, how much money is it going to cost to do that?

Mr. YORK. We estimate the cost of searching through our files would be about $30 million per year. We have examined the bill and the Department has provided comments on that section. Basically, we feel that, as opposed to a name check system, that we would prefer a fingerprint check inasmuch as names can change.

Mr. SENSENBRENNER. Or be falsified?

Mr. YORK. Yes, sir. A name check costs about $7 per check. A fingerprint check would cost about $14 per search. We can submit a more factual answer for the record.

Mr. SENSENBRENNER. I would appreciate that and I would also appreciate that it be in by a week from Monday so that this information is available before the various versions of the gun bill come up. I will just say parenthetically there seems to be an awful lot of emotion on both sides of the issue and very little reason on either side. I am hopeful that some real hard data can actually prove how effective or ineffective a particular proposal would be.

So I thank you for your help on this matter because I think it will bring the rhetoric down and the facts more to the floor in this debate.

Thank you, Mr. Chairman.

[The information follows:]

U.S. Department of Justice

Federal Bureau of Investigation

Office of the Director — Washington, D.C. 20535

April 1, 1986

Honorable Don Edwards
Chairman, Subcommittee on
Civil and Constitutional Rights
Committee on the Judiciary
House of Representatives
Washington, D. C. 20515

Dear Mr. Chairman:

During the Subcommittee's authorization hearing on March 24, 1986, Congressman James Sensenbrenner asked Assistant Director Lawrence K. York, Identification Division, a question concerning the impact of HR 4332, the Federal Firearms Law Reform Act of 1986, on the FBI. Specifically, Congressman Sensenbrenner was concerned about the section in the bill which mandates that the FBI undertake a name check for all handgun purchasers to determine if any purchaser has a criminal history record. I believe that the concerns raised by Congressman Sensenbrenner have been addressed in the enclosed letter dated March 19, 1986, from John R. Bolton, Assistant Attorney General, Office of Legislative and Intergovernmental Affairs.

If I can be of any further assistance, please let me know.

Sincerely yours,

William H. Webster
Director

Enclosure

1 - Honorable James Sensenbrenner - Enclosure
House of Representatives
Washington, D. C. 20515

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U.S. Department of Justice

Office of Legislative and Intergovernmental Affairs

Office of the Assistant Attorney General

Washington, D.C. 20530

March 19, 1986

Honorable Peter W. Rodino, Jr.
Chairman
Committee on the Judiciary
House of Representatives
Washington, D. C.

Dear Mr. Chairman:

The Department of Justice has deferred to the Department of the Treasury as to the substantive portions of S. 49, which passed the Senate on July 9, 1985, and H.R. 4332, the Federal Firearms Law Reform Act of 1986, which was ordered reported by your Committee on March 11, 1986. However, I would like to address one particular section in the House bill which directly affects the Federal Bureau of Investigation (FBI) and poses serious problems.

Section 14 of H.R. 4332 makes it unlawful for a licensed dealer or other persons to sell or transfer a handgun to an individual who is not licensed unless the transferor promptly sends by registered or certified mail a copy of the documentation of transfer to the chief law enforcement officer of the transferee's place of residence and to the FBI. The FBI is then required to examine "Federal official records which may reveal any circumstances making illegal the receipt or possession of a handgun by the transferee" and report such information to the chief law enforcement officer of the transferee's residence.

Our primary concerns with this language are as follows:

1) The proposed examination of Federal records is based on an individual's name and other identifiers (date of birth, place of birth, etc.). Those persons with a criminal record who are prohibited from purchasing a handgun are the ones most likely to obtain false identification documents to support a new name. As to felons using a false identity, the name check will not reveal any information regarding the purchaser's criminal activity which might make him ineligible to own a handgun. Even if the purchaser uses his true name, it may not be possible to determine with certainty whether or not a criminal record belongs to the purchaser or another person with the same name. There are

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many people with identical names and similar identifiers who have criminal records. It is possible that the FBI might identify a half dozen individuals with criminal records whose name is the same as the purchaser; further, even if we identify only one record in an individual's name, that does not mean that the record belongs to the purchaser. The outcome of the name check may be that persons with no previous contact with the criminal justice system will be further investigated merely because they wish to purchase a handgun while those with a disqualifying criminal record will perhaps be able to escape closer scrutiny.

2) The bill would require the FBI to check all "Federal official records which may reveal any circumstances making illegal the receipt or possession of a handgun by the transferee..." Currently, the FBI estimates that the cost of a name check of its Identification Division criminal record system is about $7. However, the broad language of the bill would not only require a name check of the Identification Division system, but of the FBI's central records system as well. I understand that the National Rifle Association is estimating that from 2 to 4 million handguns are purchased each year. The cost of the name check of just the FBI Identification records could be as much as 30 million dollars a year. However, the bill does not provide any additional funding for the FBI to cover its costs.

3) The bill would conflict with State laws governing criminal record checks currently performed in connection with firearms purchases. Pursuant to Public Law 92-544, the FBI is permitted to exchange identification records with officials of state and local governments for licensing and employment purposes if authorized by state law and approved by the Attorney General. Public Law 99-180 (the Department of Justice Appropriation Act for 1986) authorizes the FBI to collect fees to process fingerprint identification records for noncriminal justice employment and licensing purposes and credit up to $13,500,000 of such fees to its appropriation to be used for salaries and other expenses incurred in providing this service. The states have enacted various types of laws which mandate a criminal history record check based on fingerprints for different licensing and employment purposes, i.e., to license teachers, child care workers, real estate brokers, etc. Twenty-one states including the District of Columbia and three territories now require a criminal history record check for individuals in connection with handgun purchases based on their fingerprints. The fingerprints are submitted to the State Identification Bureau or other similar central state authority. If the central state authority finds anything in its records which disqualifies the purchaser, it will deny the purchaser's license. Otherwise, the fingerprints will be submitted to the FBI for processing. The FBI charges $14 for this service. (The states may have additional charges). The FBI's fees are funneled back into its budget to cover costs. For Fiscal Year 1985, the FBI processed 864,085 fingerprints for noncriminal justice licensing and employment purposes and collected $9,577,969 in fees.

Honorable Peter W. Rodino, Jr.

If the Congress considers it important to require a check of handgun purchasers, we believe that such legislation should take advantage of current procedures. In doing so, the Congress would avoid placing any additional burdens on the 21 states which now have laws and procedures in place which are intended to keep handguns out of the hands of criminals. Further, by mandating a criminal history check based on fingerprints, the FBI would be able to charge for its service. The cost of doing a name check as mandated by H.R. 4332 could not be recovered by fees; therefore, the Bureau's budget would have to be enhanced. Most importantly, by requiring a fingerprint check, law enforcement will know beyond a doubt that the criminal record in fact belongs to the purchaser.

To further illustrate the benefits of a fingerprint check, I am attaching a news article from The Star-Ledger (Newark, New Jersey), dated February 23, 1986. As reported in this article, an Edward Morris, who was wanted for forgery and grand theft in Tallahassee, Florida, had been hired by a Newark bank using the name of Kenneth Taylor. Taylor's fingerprints were routinely taken by the bank and submitted to the FBI Identification Division for processing. The results led to Taylor's arrest just in time as he was found to have in his possession $5,000 in cash, a cashier's check in the amount of $57,000, and a new car valued at $13,000. Taylor was charged with bank fraud and embezzlement. A name check would have been worthless in this case.

If the Committee wishes further information on this issue, representatives of the Department are available to discuss current fingerprint processing procedures and to suggest legislative language which would address the concerns identified above.

Sincerely,

John R. Bolton
Assistant Attorney General

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390 (Rev. 9-9-91)

(Indicate page, name of newspaper, city and state.)
THE STAR-LEDGER
Newark, NJ / p. 26

(Mount Clipping in Space Below)

Date of Edition: 2/23/86

Bank job print check nets embezzle suspect

By AL FRANK

His pockets were stuffed with $5,000 in cash and a new car was parked at the curb when federal agents arrived at a Newark bank to arrest 30-year-old Kenneth Taylor, a spokesman for the FBI said yesterday.

Fingerprints Taylor submitted last month when he got a job at the First Fidelity Bank on Broad Street disclosed he was wanted for forgery in Florida, said FBI Agent Michael McDonnell.

Calling the bank on Friday to inquire about his whereabouts, agents were told Taylor, of Newark, had quit his job on Thursday but just happened to be in the office cleaning out his desk in the mortgage department where he had worked as a clerk since Jan. 13.

McDonnell said Taylor had gotten the job under the name of Edward Morris and submitted his fingerprints as part of routine employment procedures.

When the prints were checked at the FBI's identification laboratory in Washington, D.C., however, authorities found they matched those of Taylor, who was wanted in Tallahassee for forgery and grand theft.

After his arrest on a federal warrant for unlawful flight to avoid prosecution, Taylor was searched.

In addition to the $5,000, agents also found a cashier's check in the amount of $57,000, McDonnell said. The car, he continued, was purchased for $13,000 three days ago.

Taylor was then charged with bank fraud and embezzlement.

McDonnell said authorities believe all the money came from the bank and are working with bank auditors to determine if more was stolen.

"It will take us a little while to figure out how much is involved," McDonnell said. "It could very well be more."

Taylor, of Graceville, Fla., is believed to have spent time in California "so we have to see what he did out there," McDonnell said.

After appearing before U.S. Magistrate G. Donald Ranche in federal court in Newark, Taylor was ordered held at the Metropolitan Corrections Center in New York in lieu of $75,000 bail.

Authorities in Florida said Taylor was wanted by the Leon County Sheriff's Office for forging his ex-roommate's name on at least $5,000 worth of checks drawn from the Florida Federal Savings and Loan of Tallahassee.

Dick Simpson, a spokesman for the department, said Taylor stole the roommate's checkbook when he moved in October.

Taylor also used one of the checks to open an account at another Tallahassee bank and later asked the bank to wire him money in New Orleans, Simpson said.

He said the state's attorney will file papers to extradite Taylor to face forgery charges.

Mr. EDWARDS. Thank you.

Mr. Kastenmeier.

Mr. KASTENMEIER. Thank you.

I have no questions at this point.

Mr. EDWARDS. Mr. York, lead us through the fingerprint card. When one comes from the sheriff of Milwaukee, WI, or the police department there, what is the first thing that happens to it when it gets to Ident?

Mr. YORK. Upon receipt of a fingerprint card from a contributing agency, the first thing that happens, Mr. Chairman, is that it is examined for completeness. It is examined to ensure that the name, the descriptors are in place. It is examined to see that it is not a minor offense such as drunk in public. It is examined to make certain that the fingerprint impressions have been fully rolled so that they can be classified.

Once that has been completed, we then will, depending on the date of birth of the fingerprint card, classify it and run it through our computerized fingerprint searching system by——

Mr. EDWARDS. How is the classifying done?

Mr. YORK. Classifying at this point is done by fingerprint technicians.

Mr. EDWARDS. Counting the whorls and so on——

Mr. YORK. They trace the whorls, count the ridges of the loops.

Mr. EDWARDS. What happened to the system you contracted for a number of years ago to do that automatically?

Mr. YORK. That has been delayed on at least one occasion, possibly more. We did initially have a study, I believe it was a feasibility study in that area of automated classification, but because of budgetary problems that has not gone very much further. It is still in our plan.

Mr. EDWARDS. They don't have this technology in California either, is that correct?

Mr. YORK. I do not believe they have an automated classification system.

Mr. EDWARDS. Do they have it up in Canada?

Mr. NEUDORFER. I believe that is correct. The Printrak System has some automated classification capability in it and Canada is a user of that system. I am not positive they use that feature.

Mr. EDWARDS. How much money have you spent on that already?

Mr. NEUDORFER. I can't answer that.

Mr. YORK. We will submit it for the record.

[The information is in the appendix.]

Mr. EDWARDS. We are talking about quite a lot of money. Who was the contractor?

Mr. NEUDORFER. Well, if I may give you some background in that area. At the time the fingerprint readers that we are currently using were under construction in the mid-1970's, the thought was to use the data that is collected by those readers to determine if they could automatically classify fingerprints as well as extract the minutia data, minutia data being the ridge endings and bifurcation points. The work that was done at that time proved unsuccessful for a file the size that the FBI holds, but an automated classification feature was developed. The contractor was Rockwell International, and that is the feature that was put into the Printrak equip-

ment. So there exists, based on the technology developed for the FBI under that contract, an automated classification capability useful to people with smaller files in the order of 1 to 2 million subjects in their files.

Since that time, we have come back to that question to attack it from a slightly different point of view. This time rather than taking the data that the reader is developing and using it to try to classify the card, we have started a study to determine what data we need to perform automated classification on a 25 million card file and then develop a reader that will provide that data.

So we have gone through only the first phase in this second effort of developing some of the parameters that are needed in order to do automated classification. The dollars that you spoke of before were spent in the early mid-1970's. I will have to go back and determine what was spent at that time. Since then, we have put approximately—I could give you perhaps a more firm number—our second effort we put $686,000 into the program in 1983 and $100,000 in 1985. We have not funded it since then.

Mr. EDWARDS. How do you expect to be able to achieve a turnaround of 18 hours when you have to physically classify each card that needs classification? I am sure a lot of them you can tie in through name or other identifiers to criminal records where you don't have to classify them or do you have to classify every one of the 24,000 cards that come in in a day?

Mr. NEUDORFER. No, sir; we do not, but we do have to classify probably more than half of that number.

Mr. EDWARDS. We will say 10,000 a day. How long does each classification process take with the individual looking at it and counting?

Mr. NEUDORFER. At the current time, a classifier, experienced classifier, does approximately 18 cards an hour.

Mr. EDWARDS. And these cards all come from criminal justice agencies, State and local, who also are going through the same classification process?

Mr. NEUDORFER. In many instances. However, in a lot of cases they will come from organizations that don't do classifications and don't even have files, but yes, a lot of it is done at the State level.

Mr. EDWARDS. You don't trust, we will say the San Francisco police, which does its own classification I should think. You don't trust the classifying process that they go through?

Mr. NEUDORFER. It is not so much a matter of trust, it is that because of the different sizes of the file, the classification has to be more stringent and classification is not directly transferable between, for example, the San Francisco Police Department and our file.

Mr. EDWARDS. I guess I learned something today, that is that the Interstate Identification Index is going to be based on fingerprint cards, even though the criminal records are not going to be in Washington for 100 percent of these criminal records—some will be in Washington. You are going to get, we will say, 24,000 a day still, because the Interstate Identification Index index is going to be based on fingerprint cards, is that correct?

Mr. YORK. Yes sir, that is correct.

Mr. EDWARDS. Not on other identifiers?

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Mr. YORK. Not in the Interstate Identification Index system. Once it is in its final phase, the FBI would receive only the fingerprint card of first offenders from a State. Subsequent cards would be stopped at the State level. So even though we might have only one fingerprint card, with or without a charge, at the national level, the remainder will be at the State level.

Mr. EDWARDS. That will cut down the receipt of cards on a daily basis by the FBI considerably?

Mr. YORK. It could, although this past year with about, I think, a 4-percent increase in crime, with new legislation being passed requiring searching of our files for licensing and employment, and with additional contributors beginning to contribute cards to the State bureau wherein they might not have been contributing any cards before, some of the States have actually shown an increase, even those that participate in the Interstate Identification Index at this point.

Mr. EDWARDS. Where does the National Crime Information Center fit into this, into the Interstate Identification Index?

Mr. BOYD. We will be the index for those arrests which occur out in the States. We will still continue to have the Federal offender records which the Identification Division will also have, but if a person is arrested in California and a Interstate Identification Index record is created and Illinois inquires on that record, then all they have with Interstate Identification Index is a pointer that tells them to go to California and get the record.

Mr. EDWARDS. Do you eventually intend to have the National Crime Information Center have all of the indices, all of the items in the index available to the National Crime Information Center?

Mr. BOYD. The index will be available for all States which are participating in Interstate Identification Index and it will be available to every State for query purposes.

Mr. EDWARDS. Mr. Bayse, you referred to the study by two contractors on noncriminal use of the Interstate Identification Index. Could you summarize the findings and conclusions of those studies?

Mr. BAYSE. I will have Mr. Nemecek do that for you, Mr. Chairman.

Mr. NEMECEK. Probably the major finding that will have to be addressed very seriously is that we have documented that there is a wide disparity probably beyond reconciliation in the purposes for which criminal history records may be utilized in a State for noncriminal purposes. We run the entire gamut say from California, where there are 200 or 300 statutes permitting inquiries for noncriminal justice purposes, to States that have no statute, that it is not permitted that a criminal history record be utilized at all, and to the extent that we want to make Interstate Identification Index a total success and be able to rely upon State data bases, we have to deal with the issue of what type of comity or return of information will one State give to another and we have to address these State laws.

Now, what it leads us to, if one State refuses to give a record to another State, then there seems to be a return in kind. Of course, this is one of the things that led to the establishment of the Identification Division many, many years ago. What we are looking for is perhaps a negotiated way among the States that we can address

those issues that the record should be utilized for. I suspect that we may never utilize the Interstate Identification Index system for all the purposes that States change rates, but until we find a way to get the States to take up their workload that the Division is bearing now, it is going to be almost impossible to turn it back to the States. That is what we are looking for now—a solution to that problem.

Mr. EDWARDS. Are all of the major States, the large ones, involved now? I know you had problems with Massachusetts for a while.

Mr. NEMECEK. All of the major States, with the exception of Illinois, are responsible for their records now. I believe we have the States that represent 85 percent of all the records are now being responsible for their records. Illinois and Massachusetts are not at this point. However, both are making plans toward it. In terms of a concept and the amount of support that we have determined, all 50 States are supporting it and are working actively toward it.

You know, at this time, budgets are a little slim. There seems to be a commitment in each State to make plans for participation.

Mr. EDWARDS. Mr. Kastenmeier.

Mr. KASTENMEIER. Mr. Chairman, the only question I have is really to ask the Identification Division whether your division was affected—and if so, how—by Gramm-Rudman on March 1. Were you cut back at all?

Mr. YORK. Yes, sir. We were cut back in some of our areas, although not greatly cut. I think equipment and furniture bore the greatest brunt and it was not that great for this fiscal year.

Mr. KASTENMEIER. What is the authorization request for fiscal year 1987 for your division, the Identification Division? What does that represent as to an increase or not above your baseline?

Mr. YORK. Our baseline for fiscal year 1987 is $76.2 million. We have an increase of $3.5 million, which takes it up to $79.7 million. That increase is only for inflationary items. The only actual increase we have would be in the reimbursable area, that is, 147 employees, paid for through the user fee program which will increase our total reimbursable employees to 482 for fiscal year 1987.

Mr. KASTENMEIER. The $76.2 million represents the congressional appropriations prior to the cuts on March 1 under Gramm-Rudman?

Mr. YORK. Yes, sir, it does.

Mr. KASTENMEIER. So you will get a 4.5-percent increase over that level? I mean, assuming the request is agreed to?

Thank you, Mr. Chairman; that is all I have.

Mr. EDWARDS. You are going to spend $12 million in 1987 on artificial intelligence. Somebody explain how this is going to work.

Mr. BAYSE. Yes, sir. Artificial intelligence is a technology that allows us to augment our automated information systems with knowledge, experience, and rules of logic that are developed by our best experts. If you can imagine artificial intelligence as a technology, a science with four portions—one of which is robotics: we are all familiar with robotics and what they can accomplish; they have human-like characteristics.

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Second is the area of natural language processing. Machine translation—something like French into English—is an example. Of course, we are interested in all these areas.

Another area is vision systems. That involves computer-based systems that can see and do things based on what is optically developed. There is some work in the Defense Department in that area.

And then the fourth area, which we were most concerned with, is based on expert systems. Another application that you are probably familiar with in artificial intelligence is computers that play chess at or above master level. Our approach is to apply artificial intelligence technology by codifying the expertise and knowledge of our best expert investigators and managers, work that together with rules for applying the racketeering influenced and corrupt organizations [RICO] statute, add that to the ingredients of our major investigative data bases such as those for organized crime, those in counterterrorism and in other areas, and codify also the individual provisions of the statutes, such as the predicate offences under the racketeering statute and the continuing criminal enterprise, for narcotics, and Taft-Hartley Act concerning bribery.

When all of these ingredients are put together in a computer program, we call that a knowledge-based expert system. That is, it reflects and applies directly and automatically the knowledge that is gained from our best investigators.

One of the assets that we have in the FBI is experts: people who have worked for years in the area of labor racketeering investigations, organized crime, white-collar crime, counterterrorism, counterintelligence. So our approach works in a way that an artificial intelligence knowledge-based expert systems resides in the computer along with the data bases and operates on those data bases automatically under the control of a human investigative agent.

Mr. EDWARDS. You have a lot of information in your investigative files, criminal information, of course, that is confidential to the FBI. I would like to know how it is going to work practically. Are you going to be able to catch criminals? Let's take a terrorist. How would that work?

Mr. BAYSE. Let's take a corrupt union. The terrorist application gets in a sensitive area. I would like to give you some background on how this came about. We identified artificial intelligence technology early in 1981, as a key, promising and important technology to apply to our automation strategy and we articulated that and had it sent out of the Bureau through the appropriate executive branch oversight channels, and then we began to conduct some in-house experiments in 1982 and 1983.

One of the experiments that we conducted was to develop a network of relationships between organized crime entities—families and other organizations—and their projection of influence in narcotics trafficking. In doing that, we would show the relationships of the individual members of organized crime families or other organizations, gangs, cartels, and how their influence would be projected, how do they move forward and apply resources or funds into narcotics, and then project their influence and their resources in a major network of narcotics trafficking and then develop in that

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way those who are most important, have the most influence in that area. That was a success and it was done in-house.

Then following that, we applied that type of logic—by the way the way these organized crime entities operate, is known through experiences and expertise of our best investigators. So that was all codified in the computer.

Next use of this was an experimental base in 1983, which led to some positive contribution, in major drug trafficking case, very complex operation, locations, and the computers were able to generate automatically a number of leads that would previously have been overlooked. Simply an inquiry and retrieval operation on one of the data bases.

I prescribed a proposed agenda for the use of this technology and submitted it to our executive conference in 1984, and it was reviewed in a retreat and there was agreement there that these were promising areas, and we would focus in four major areas—the ones that I have provided in the statement.

And in 1984, our Criminal Investigations Division sponsored a knowledge-based system for labor racketeering traffic, counterterrorism and name searching work that we are trying to do now. The way this would be applied is in a major investigation, we would run, have this capability, this automated computer based capability available to our special agents in the squad area, major field offices, office of original or major cases. We would also have this available at our headquarters under a program manager and our Criminal Investigation Division, my division would provide technical support in keeping the knowledge base and data bases up to date.

Once some suspect criminality would be developed under our guidelines, we would activate the system and operate it along with the data bases that we have for the case, and then the system itself, based on its rules of logic, based on our investigative guidelines, which are codified along with the statute, we would draw certain inferences about criminality, such as probable cause.

Mr. EDWARDS. It sounds to me like most of it is matching. I am not being critical of it, but you take your data base, you pick a name, that is a suspect name, we will say in racketeering, first thing the computer does is go through the data base and pick up the relatives and whatever. Isn't that correct?

Mr. BAYSE. The way it would work, partially, the way it would work is a little more complex than that, in that we would get a suspect and from our data bases, we could then determine whether a suspect perhaps we had gotten some information from a reliable source he is involved in a criminal activity, such as bribery of a public official or kickbacks to an organized crime figure. It wouldn't develop all relatives or associates in any general sense except within the scope and very narrow domain of labor racketeering say in this case, and would look specifically for statutory violations, and probably cause us to take an investigative action based on those violations.

Mr. EDWARDS. I don't see how the system could dig out probable cause of a particular crime.

Mr. BAYSE. Well, there are certain characteristics of probable cause and there are certain rules of logic that lead to that and they

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are well known by way of our guidelines and they are well known among our investigative experts. It doesn't dig out probable cause per se, it recommends that, or suggests that a number of criminal activities have taken place, and in the context of the statutory violations, that have been sensed by the expert, what would be the suggested action for our investigative agents. Then they would take over from there.

It is not going to generate probable cause and do anything on its own, it is going to make suggested actions or alternative actions available and options available for the agent at the squad area so we can take appropriate actions under the law and under the guidelines.

Mr. EDWARDS. Can you describe in simple language a case where artificial intelligence has been of assistance?

Mr. BAYSE. Yes, sir. In the operation of the case in New York which I cited previously, we had information concerning the relationships of Cosa Nostra and other organized crime activities in narcotics trafficking in that area, and what this system was able to do was pull together the linkages between and among various organized crime activities, drug traffickers and substances being produced, the places where the deals were taking place, and passing of narcotics and to generate leads that this organization has had enough activity involving known organized crime figures that we knew it was time to look at this organization in depth under the investigative guidelines.

Mr. EDWARDS. Mr. Kastenmeier.

Mr. KASTENMEIER. I have no further questions.

Mr. EDWARDS. Mr. Dempsey.

Mr. DEMPSEY. What sort of data bases are you talking about using here?

Mr. BAYSE. Well, the principal one for labor racketeering of course would be our organized crime data base.

Mr. DEMPSEY. What sort of data does that contain?

Mr. BAYSE. Data on organized crime members, corrupt labor unions.

Mr. DEMPSEY. Does it have information on checking accounts?

Mr. BAYSE. Check transactions, that is correct. Bank accounts, through which suspect laundering activities may be taking place, known traffickers, outlaw motorcycle gang membership, all sorts of individuals who would be involved in some criminal activity. These data are all tied back specifically to our case files with serialized numbers so that the originating documents for any of that data can be accessed and retrieved.

Mr. DEMPSEY. What other types of information are there in addition to names of individuals?

Mr. BAYSE. Names of organizations.

Mr. DEMPSEY. Anything else?

Mr. BAYSE. Names of organizations that are suspect to be involved in criminal activity or known to be involved in criminal activity such as money laundering.

Mr. DEMPSEY. Organizations meaning a union or——

Mr. BAYSE. It could be a union.

Mr. DEMPSEY. Business?

Mr. BAYSE. It could be a business. It could be a place. Contacts between individuals for the purposes of criminal activity. Transactions of financial instruments or others involved in criminal activities.

Mr. DEMPSEY. What is it that the expert system draws out that an individual could not?

Mr. BAYSE. Well, the expert system does more than draw out, but it does access these files and these records in this system and for instance, if we had a union official suspected of paying back to an organized crime figure some funds for purposes of doing business in a certain way, then this system would sense that, find it, look through the statutes, and under the guidelines, indicate have suspect criminal activity. This indications under RICO statute predicates offense of kickbacks or payoffs or bribery would make that available to the investigative agent.

But more than that, it would take hundreds or thousands of retrievals against the data base to put together the information that an expert system can pull together in using its internal investigative protocols and the software that is written to execute instructions against these data bases.

Mr. DEMPSEY. Is there something that triggers the application of the expert system to a particular name?

Mr. BAYSE. If a name had been surfaced in an investigation, it could take that name and move forward against the data bases, doing searches and as the chairman said, maybe matches against the statute, then infer criminal activity. This person was seen passing money a number of times to a known organized crime figure. Covert meetings at place "X" and multiple occurrences of this constitute a violation under title 29, the racketeering statute.

Mr. DEMPSEY. One instance wouldn't be enough?

Mr. BAYSE. Under RICO it takes two occurrences, multiple occurrences of a felony in a specific time period.

Mr. EDWARDS. Does any of this get into National Crime Information Center?

Mr. BAYSE. No sir, this is an internal system. These are internal FBI systems. In the National Crime Information Center, we are anticipating some of this type of technology application principally in the area of quality control, security and privacy, unauthorized access, intrusion detection, and then some work on areas such as stolen cars or stolen property. These are the types of things we are anticipating.

Mr. EDWARDS. While we are talking about National Crime Information Center, what kind of proposals are under consideration now in the Director's office for expansion of the NCIC?

Mr. BOYD. I believe last year, the Director gave you a letter which indicated those things which were under consideration. To the best of my knowledge, there has been no change since then.

Mr. EDWARDS. Let me remind you that the committee has a large interest in any possible expansion of the National Crime Information Center and we hope that we don't have to go to the mat on a big expansion that would include investigative data. The value of National Crime Information Center and the reason that it has been such a good system and been so successful generally speaking, is that it is based on public record, except for a few exemptions along

the line, and the massive exemption of that we discussed a year or so ago. We still have no change of mind on it and we would want to talk to you before you made any plans for it.

Mr. BOYD. There is nothing new in the hopper. Everything which has been surfaced as a possible addition to the system has gone through the advisory policy board with one exception and your counsel has had a briefing on that exception.

Mr. DEMPSEY. Returning to the use of artificial intelligence to spot potential patterns of criminality and using that in connection with the NCIC, could you describe that further?

Mr. BAYSE. Yes.

Several States, Oregon, California, Washington State, and Nevada, were reporting cars being stolen in a period of time and they were similar types of cars, luxury sedans, vans, recreation vehicles, and certain securities were being stolen on a State-by-State basis. It would be difficult for the individual States to pull that together and to see if there was an organized crime effort to steal property.

We would have the recording of the cars by type so we would categorize and do mathematical classification by model, maybe value and some other characteristics and then maybe draw some statistical inference concerning the fact that there is a multistate ring.

Mr. DEMPSEY. That would involve, for example, applying the expert system to the stolen car file?

Mr. BAYSE. That is right, our stolen property file, and also it would involve maybe the application of statistical techniques for recognizing significant patterns along with expertise of people involved with stolen cars.

We might ask some of the best stolen car experts what do you look for when you try to recognize organized crime activity in stolen cars? What are the parameters? And we will codify that knowledge and have the computer do that.

Mr. DEMPSEY. Would this involve a monitoring of the stolen car file on a daily basis?

Mr. BAYSE. Yes, it would.

Mr. DEMPSEY. Do you contemplate applying a similar pattern recognition process to other NCIC files other than, say, the stolen property files?

Mr. BAYSE. What we have contemplated so far has been mainly in the property area. When we do our requirements analysis in the study going on now, I think other requirements will be surfaced either by State or Federal agencies who will be participating in the study.

Mr. DEMPSEY. Would there be a possibility, for example, of searching the stolen car file and at the same time searching the arrest record file to see who is being arrested for stealing cars in those locations where you are finding a particular pattern of stolen cars?

Mr. BAYSE. Did you ask if that is a possibility?

Mr. DEMPSEY. Yes.

Mr. BAYSE. I think it would be a possibility. We have yet to formulate any kind of a model like that, although we would certainly be interested in who is perpetrating the stolen car criminality.

Once we have verified that there is this interstate type of violation, which indicates also Federal jurisdiction in some cases, as you know I think, we have now this operation for the National Center for Analysis of Violent Crime which is going to look for serial criminals and more violent actions such as murder, rape and arson which is also looking at similar patterns of criminality.

Mr. DEMPSEY. Is that using NCIC?

Mr. BAYSE. That uses its own data base.

Mr. DEMPSEY. In your statement, you refer to four initiatives that have been adopted on artificial intelligence. I wasn't quite clear as to what those four were.

Mr. BAYSE. Labor racketeering, counterterrorism, narcotics trafficking, and interdiction, and the name search.

Mr. DEMPSEY. That is all I have.

Mr. EDWARDS. Counsel.

Mr. SLOBODIN. I have a question about the artificial intelligence initiative. I want to know more about how the artificial intelligence would detect unauthorized access or operations which could impinge on civil privacy or civil and constitutional rights?

Mr. BAYSE. That is one of our keen interests in this issue with NCIC with the current upswing in computer hacking and other attempts at public data bases. We are working toward a solution on intrusion detection in which an authorized user, one who is authorized to use the NCIC system, would be detected based on some pattern of abnormal behavior.

If one who is authorized is going to do something that is wrong such as a violation of privacy or access to records or use of records in a way that is unauthorized, we want to be able to detect that based on certain thresholds of abnormal use, and that requires the knowledge of someone who is an expert on that use and then the sensing and measurement of the variants of the use that is abnormal and reaching certain thresholds of that type.

That is all codified, included in the computer, and for each access there will be an operation by the expert system and the statistical measuring sensors and applications to sense and then alert the controllers of the system that this was going on.

Mr. SLOBODIN. Thank you.

Let me get Mr. York into this. I wanted to ask a question about the California fingerprint search technology. I wanted to know what the FBI had learned from the California experience and how they hope that might be able to improve the automated system that you want to bring on in 1987.

Mr. YORK. Let me say that we are certainly aware of the California system. What we have learned—actually I guess, personally, I have learned two things. One, that it is easier to allow someone else to pioneer efforts in technology such as fingerprint identification, and then to be able to come in at a later date and purchase a system that has been developed over the years and it is also much easier to automate a system of, say, less than 5 million as opposed to a system of 18 million.

But we are certainly aware of their system and it has paid dividends for them.

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Mr. SLOBODIN. Any particular aspects of the California system that are instructive to efforts that are underway right now or are you going to do things completely different?

Mr. YORK. Well, our system is comparable to California's except in the area of automated image retrieval. That is where, instead of having to work with a fingerprint on a piece of light cardboard, you are actually working with a computerized image and a computer screen. With automatic image retrieval, you are able to recall and call up those images instantly for comparison purposes. We do not have that at this point. California has it in their system.

This is something that we are working toward now and hopefully some day with the economic situation becoming better we will have that system.

Mr. SLOBODIN. Thank you.

I was interested on the issue of data quality. What I wanted to know about is, is there a State agency you could cite—this is more for Mr. Bayse—is there any state agency that is the best example of the dramatic improvement in quality control, quality assurance efforts to meet the advisory board standards?

Mr. BOYD. As far as improvements, we will not know that until we have gotten into the second cycle of looking at States already looked at once. There are a number of States that have been, I think, excellent examples of data quality—Minnesota is one, Wisconsin, New York.

Again, we—all we have had is the first look. We will have to wait about 2 years until the second round occurs.

Mr. SLOBODIN. I have no further questions, Mr. Chairman.

Mr. KASTENMEIER. Mr. Chairman.

Mr. EDWARDS. Mr. Kastenmeier.

Mr. KASTENMEIER. I have a question for Mr. Bayse following up on the first of counsel's questions. Speaking to the question of the capacity to detect attempts at unauthorized access which could impinge upon privacy or constitutional rights, I assume the investment in this capability is not just hypothetical.

Mr. Bayse, what current unauthorized access cases or histories are you aware of and who might be involved?

Mr. BAYSE. Regarding NCIC or——

Mr. KASTENMEIER. Yes, you are looking for artificial intelligence for NCIC in order to detect unauthorized access, and I am interested in knowing—presumably this is not just a hypothetical capacity—that is, it is directed at a current problem.

Mr. BAYSE. There are a couple of approaches. We look at the threat to our system and to files. In consonance with that comes the privacy and civil and constitutional rights issue. We have seen authorized users gain information out of the files of NCIC for an unauthorized purpose, that is the selling of data, and there have been prosecutions under the Privacy Act for that.

There are a number of other areas where we are concerned that there is a threat based on communitywide information that has been developed. A classified Government document has been developed that articulates a number of accesses that have been made or attempted to other systems.

Another good example was a year or two ago the Federal Reserve Bank here in Washington was penetrated by someone from

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out of State through a dial-up system. The NCIC Advisory Policy Board has always ruled against any dial-up access to NCIC.

On the other hand, we want to be able to be prepared in advance against what we see as already experienced threats like the one I mentioned before and the types of threats that have been realized in other agencies or ones that we can postulate, and then we are going forward with this initiative to develop internal controls. There has been enough concern from this subcommittee to push me in that direction, being more sensitive to what your concerns are and to try to put something in the system that is rigorous and well defined and visible that can look for these types of attempts and to counter them one way or the other, either in a way that prevents them or in a way that detects them and then allows us to take some follow-on action.

Mr. KASTENMEIER. I want to commend you for it. I assume that other than merely the urging of this committee that there is some anecdotal history of such unauthorized access as you have alluded to——

Mr. BAYSE. GAO has published a couple of reports, Congressman, on the vulnerability of Federal systems to unauthorized access and penetration. Millions of dollars have flowed out of some of these systems. There have been a number of unauthorized electronic funds transfers that are computer supported and we want to get in front of this, but there aren't a lot of anecdotes in our systems because most of the systems are controlled internally by us and we have methods for control internally.

What we see is NCIC being a public system made to support 60,000 agencies, it is probably more vulnerable than our internal systems.

Mr. KASTENMEIER. Would you say that the authorized persons who currently are or in the immediate past have attempted unauthorized access for improper purposes—are these Federal personnel or are these State and local officials? Are they law enforcement—do we have a profile on who in fact has——

Mr. BAYSE. We haven't done any profiling per se. Our study organization that is going to do this work is going to look at that threat and the type of individual. The one I was thinking of when I answered your question before was at the State level. It was law enforcement.

Mr. KASTENMEIER. Eventually I am sure the committee would be interested in where the problem really is.

Thank you, Mr. Chairman.

Mr. EDWARDS. You send out hundreds of thousands of criminal records per year, not only to criminal justice agencies, but to State and local licensing bureaus and authorized agencies.

Do you have many instances of the rules being violated by these recipients of criminal records?

Mr. BOYD. No, but there are occasional ones. The most recent to come to mind was a State where in a particular locality, the judge told the person who had access to the system that he wanted criminal history records run on people—some sort of child custody matter or people who were adopting children, I have forgotten what it was. We determined that and told them cease and desist immediately, which they did.

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Now, through the use of an expert system we would be able to go through the transaction log and for a town of this size, very small, probably capture a profile of what sort of volume they have in the way of requests, of the volume that they have, on how many did they get a positive response, how many don't they.

We would hope in an expert system we could say, "Here are some inquiries coming from this particular location. It is outside the normal distribution, therefore we will look in and see why."

Mr. EDWARDS. Well, regarding the III index, what kind of discipline can you maintain or will the discipline be enforced at the State level?

Mr. BOYD. No, the discipline will be there because the request will come to us. If the State wants to adopt the same sort of program at the State level, that will be fine, but we can adopt it because all the requests will be coming in to us.

Mr. DEMPSEY. Returning for a second to the question of artificial intelligence, is the FBI developing its own systems or is it purchasing commercially available systems that have been developed for law enforcement?

Mr. BAYSE. We are developing our own—focused on the domains I indicated before. We use commercially available products for the development process, but the work we are doing is particularly oriented to our in-house efforts. There are some other organizations in the Federal Government and at the State level that are interested in our work, including the State of California and some others who are Federal agencies that are interested in this type of action. There is a lot of work going on in the commercial world—banks, insurance, and other industries. But ours is principally in-house, aimed at our investigative priorities, and as always approved through all the processes that we go through to get this work done.

Mr. DEMPSEY. There is a very extensive artificial intelligence initiative underway at the Department of Defense. Is that benefiting the FBI?

Mr. BAYSE. Yes, it is. We avail ourselves of the technology of that program and adapt it to our own needs.

Mr. DEMPSEY. The cost of this initiative is $12 million for 1987. Do you have any more long-term cost estimates?

Mr. BAYSE. We project in our long-range strategy the application of this in other areas in the outyears, but it is a matter of whether the resources are available to us to implement that and there are other projections.

Mr. DEMPSEY. What are they?

Mr. BAYSE. You mean in terms——

Mr. DEMPSEY. In terms of dollar amount.

Mr. BAYSE. Well, the dollar amounts are similar to the ones in 1987, but we were still formulating those and depending on what is affordable. We sort of tie what work we are going to do to what resources are available. We have an agenda with multiple items and we hope that we will get at least a level similar to what we are getting in 1987 in the outyears, but requirements and other initiatives could take it higher than that.

Mr. DEMPSEY. You referred to, approximately a year ago, a specific agenda that was evaluated by FBI executives. How many items were on that agenda?

Mr. BAYSE. About 20, some of which were overlapping.

Mr. DEMPSEY. Of which four are now underway?

Mr. BAYSE. Of which four are now underway.

Mr. DEMPSEY. Turning to some questions involving the Identification Division, in 1979, the GAO criticized the FBI's maintenance of two systems of records concerning criminal offenders, the fingerprint cards held by Ident on the one hand, and the computerized criminal histories on the other hand.

Today to a certain extent the computerized criminal histories have been replaced by the decentralized III. Why, though, isn't it still the case that there is a duplication between the criminal history records as maintained by Ident and those indexed and decentralized through III, which constitutes a system that in certain aspects could be said to be duplicative of the Ident Division system?

Mr. YORK. As I understand your question, we have two areas where duplication does exist at the present time. One is the index to III. The other would be the index to our automated Identification Division, phase II at this point. They are almost identical.

Our AIDS-II to index to our criminal histories are duplicated in the NCIC hardware. The reason for that is computer capacity. We will not have sufficient computer capacity until around the end of September of 1987, when our contract should be complete, and we will be able to store the index, thereby eliminating the duplicate index in the NCIC system. So it is strictly computer capacity as I understand it at this point.

The other area has to do with the Identification Division maintaining fingerprint arrest cards and criminal history records on arrestees, and the State also retaining criminal history records and fingerprint cards on that same arrestee that is duplication at this point.

Until the III system is complete and until the national fingerprint file concept is a reality, we will continue to maintain complete criminal history records in order to respond to requests for fingerprint checks in connection with licensing and employment.

At this point, through the III system, the NCIC advisory policy board has indicated that criminal history checks cannot be made by non-Federal licensing employment organizations.

So until such time as that issue is resolved, we will continue to disseminate complete criminal history records or as complete as they are given to us to States, for example, in connection with licensing employment for daycare center workers and so forth.

Mr. DEMPSEY. In your statement, you referred to the name check capability of the Ident system. What is the name check capability and what is it used for?

Mr. YORK. The name check that we have is the system that began in connection with our automated Identification Division phase one where we began to computerize the names, dates of birth, other descriptors of first offenders, first offenders on whom we receive a fingerprint card. That computerized index then becomes the locator for that fingerprint card. It is going to tell us under what FBI number that fingerprint card is maintained.

So we will use that index to search our fingerprint cards. Rather than having to classify and search the fingerprint card in the computer by minutiae, it is a lot less expensive and it is much quicker

to be able to search it by name first to determine whether or not he has a prior record by name.

Mr. DEMPSEY. So it is not the case that user agencies can conduct name checks through the Identification Division?

Mr. YORK. No, but when they conduct an III inquiry, they are in effect searching the data base for the automated Identification Division which is duplicated in the NCIC hardware.

Mr. DEMPSEY. But this is restricted to criminal justice purposes?

Mr. YORK. Right.

Mr. DEMPSEY. You mentioned the national fingerprint file. What is that?

Mr. YORK. Under that concept, only first offender fingerprint cards would be submitted to the FBI so if an individual is arrested in the State of Georgia, the local sheriff will fingerprint that individual, send the fingerprint card to the State bureau. If the State bureau makes an identification with a prior record from the State of Georgia, it will go no further. The record will merely be updated in the State of Georgia and will be available through III. That will mean then that we have at least one fingerprint card from that individual from the State of Georgia in our file.

If the same individual goes to another State and is arrested in that State now for the first time, that State will send that fingerprint card to their State bureau; No identification will be made, they will establish a new record and a second fingerprint card will be sent to the FBI to establish another State record for that individual or a State pointer, if you will.

Mr. DEMPSEY. But if the individual who was originally arrested in Georgia is arrested in Georgia a second time, you do not receive under this concept an indication of that arrest?

Mr. YORK. That is correct. That is not true at this point.

Mr. DEMPSEY. Do you know what is the current hit rate for Ident with the fingerprint cards that come in for criminal history record checks? Do you know what that is?

Mr. YORK. The current hit rate? About 2 percent.

Mr. DEMPSEY. Meaning about 2 percent of the requests from banks and State licensing agencies?

Mr. NEUDORFER. If I may correct that, it was the fingerprint service. I think it is about 5 percent overall.

Mr. MERCER. It averages between 5 and 10 percent on non-Federal applicant checks.

Mr. EDWARDS. When the system gets fully offered, you should cut down considerably on your receipt of rap sheets because most criminals are repeat criminals and most criminals operate in the same State.

Have you estimated what the reduction in receipt of cards would be?

Mr. YORK. Mr. Chairman, I haven't seen any specific figures. I know that several years ago some estimates were made. What we have found out though is that some States in an effort to become fully participating in the III are out attempting to get small police departments, sheriffs offices who heretofore have not submitted any fingerprint cards and in some cases had not fingerprinted arrestees or if they had they have kept the fingerprint cards in that particular town.

We had seen a year ago an upsurge in fingerprint cards from some states and found that they were attempting to get many, many more contributors to fingerprint and submit the fingerprint cards to the state bureau. So it is possible that with the increase in crime and with the increase in contributors that our total receipt of fingerprint cards may not go down all that much.

Mr. EDWARDS. What do you do about the requirement—I know that you would like to see a disposition on every criminal history. Do you have any automatic expunging where there is no disposition, and for all you know the man or woman was not convicted of anything?

Mr. YORK. No. We don't have a program such as that, Mr. Chairman. In recent years the FBI has made a real concerted effort to attempt to get dispositions from the various contributing enforcement agencies. If I can give you an example, in fiscal year 1983, we received 1.6 million dispositions. Last fiscal year we received 2.9 million dispositions. In that same year we received 3.4 million criminal fingerprint cards. Our effort to obtain final dispositions has improved considerably. We never miss an opportunity to ask the contributors to insure that they send dispositions.

We periodically send out a contributor letter and in every contributor letter we attempt to make certain that the issue of dispositions is discussed. We have also begun on-site visits to several States to attempt to assist them in developing a tape format or an on-line format to send in dispositions automatically.

For example, recently we sent people from the division to Pennsylvania, New Jersey, New York, and Delaware to have discussions. We now have a disposition followup system where if we identify a fingerprint card, a current fingerprint card against a record where the disposition has not been sent in and the arrest is a year old, we make contact with that agency and attempt to get a disposition for that particular record.

In addition, we have a quality control unit set up in order to screen dispositions that we can't match with a particular charge in an attempt to see if there is any way to match that disposition with some related charge in that person's record.

So we are doing, as far as I can see, all that is humanly possible to attempt to get dispositions with the understanding that it is a voluntary system. I think it is working fairly well.

Mr. EDWARDS. That is a very commendable improvement in the last few years.

Mr. YORK. I would like if possible for the record to give you a copy of our latest letter to contributors wherein this is mentioned several times.

Mr. EDWARDS. Yes, that would be well received.

[The newsletter follows:]

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U.S. Department of Justice

Federal Bureau of Investigation

Washington, D.C. 20537

March 17, 1986

Letter to All Fingerprint Contributors

RE: FBI IDENTIFICATION DIVISION SERVICES

Dear Contributor:

Since this is my first "Letter to All Fingerprint Contributors" as the Assistant Director in Charge of the Identification Division, I want to emphasize that the Division's main goal will be to continue providing the best possible service to all contributors. To provide this service, we must have complete records on file. Complete means not just having final dispositions for the arrests shown on the record, but having the record show all the serious and/or significant arrests and corresponding final dispositions associated with a particular person.

Our identification records are based entirely on voluntary contributions of arrest fingerprint cards and final disposition reports from more than 22,000 criminal justice agencies worldwide. There is no Federal law that mandates reporting by local, state, and Federal law enforcement agencies and penal institutions. Law enforcement agencies and penal institutions forward information to us for their mutual benefit and the benefit of others authorized to check the criminal records in our system. I am aware of only one major law enforcement agency (Metropolitan Police Department in Washington, D. C.) that is not routinely forwarding arrest fingerprint cards at this time.

We now have criminal records on more than 23 million individuals. About ten million of these records are stored in our Automated Identification Division System (AIDS), and are indexed in the National Crime Information Center's (NCIC) Interstate Identification Index (III). By combining the resources of AIDS, NCIC, and the 17 state agencies fully participating in the III program, criminal records on the most active offenders have been placed at the investigator's fingertips. Records available via the III include: records on arrestees with years of birth of 1956 or later; records on persons arrested for the first time on or after July 1, 1974, regardless of their dates of birth; and many selected older arrest records which have been automated because of the subject's recent involvement with the law enforcement community.

All criminal justice agencies may use III to obtain criminal records for criminal justice purposes (includes employment with a criminal justice agency). When a criminal record is needed for a criminal justice

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purpose, the use of III is encouraged to reduce the number of requests mailed to us. An NCIC inquiry should be made regardless of the age of the individual. If there is no matching record on file in III, a follow-up written request should be made only when (1) the person was born prior to 1956, or (2) you have fingerprints that can be searched through our files to possibly locate a criminal record established under a different name. For a more detailed explanation of how III works, refer to Fingerprint Contributor Letter 84-1, dated March 29, 1984.

Non-Federal law enforcement agencies and penal institutions in 31 states are presently required to submit FBI arrest fingerprint cards to us through their respective state identification bureaus. This method of submission can be mutually beneficial to both the states and the FBI. It helps to ensure that the criminal records in our systems are compatible. State identification bureaus add information to the cards to assist us in processing them, e.g., FBI number, state identification number, etc. These same state bureaus have the benefit of the FBI card for classification purposes or they can make a copy of the state card available to the FBI, when necessary, to assist us with fingerprint classification. For our criminal record systems to function effectively, it is essential that both a state and an FBI arrest fingerprint card be submitted for <u>each</u> arrest that meets Federal retention criteria. A list of nonserious offenses not retainable by the FBI has previously been furnished to your state identification bureau for distribution. If you are unsure about the offenses that cannot be kept by us, copies of the list are available upon request.

The key to having an effective criminal record system starts with the officer making the arrest. At least two good sets of fingerprints should be taken — one for your state bureau and one for the FBI. The FBI card will be used to establish the arrestee's record unless a prior criminal record exists, get him/her assigned an FBI number, and get the record indexed in III so it is <u>immediately available</u> to all criminal justice agencies. These procedures result in an effective system for law enforcement use. However, the Identification Division must still process approximately three million noncriminal justice applicant fingerprint cards submitted to us annually. Since III can only be used for criminal justice purposes, our identification record must be used to respond to noncriminal justice requests. Therefore, our record should contain all of the individual's criterion arrests. An arrest entry is added to our record only after an arrest fingerprint card is received and processed through our system, as all arrest entries must be supported by fingerprints. It is also extremely important to follow the arrest card with a final disposition report, since arrest information over one year old lacking a disposition cannot be provided for noncriminal justice purposes. I have recently implemented a disposition follow-up program; however, this program is limited by resources. Your cooperation in furnishing final dispositions is certainly appreciated. These additional procedures make the system equally effective for our noncriminal justice contributors.

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Mutual cooperation reaps mutual benefits, thereby making it possible to provide the best service to all contributors.

HELPFUL HINTS TO IMPROVE THE PROCESSING OF YOUR DOCUMENTS

--Include the subject's date of birth or approximate age on all fingerprint card/correspondence submissions. This is especially important for deceased individuals.

--Never submit a folded fingerprint card -- use a larger envelope.

--Include the Originating Agency Identifier Number (ORI#) for all agencies designated to receive copies of records from the FBI. This is especially important in the "Send Copy To" block on the fingerprint card.

--Do not lend your preaddressed fingerprint card to another agency unless you change all of the information in the "Contributor" block first.

--If your new "+4 Zip Code" is not shown in the address block of this letter, furnish it to us (Attention: Recording Section), as it expedites mail delivery. Our "+4 Zip Code" is 20537-9700.

--Do not submit a follow-up expungement request for at least 120 days, as it takes that long to process your initial request.

--Use the standard "Personal Identification" card (FD-353) when fingerprinting a child.

--Use the standard "FBI Criminal Fingerprint" card (FD-249) when fingerprinting a deceased person.

--Include the literal or narrative charge, not penal code citation in the "Charge" block of the criminal card.

--Forward final dispositions.

UNLAWFUL FLIGHT TO AVOID PROSECUTION OR CONFINEMENT (UFAP/UFAC) CHARGES

When local/state/Federal law enforcement agencies arrest an individual, they are strongly encouraged to show both the substantive charge(s), e.g., burglary, bank robbery, theft, etc., and any UFAP/UFAC charge, if such Federal process is outstanding at the time of arrest, in the "Charge" block on the criminal fingerprint card. Even though the

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UFAP/UFAC charge is usually routinely dismissed, having this information on the criminal's record can be extremely beneficial for law enforcement officers investigating/apprehending this subject at a later date. The UFAP/UFAC charge information may help to identify someone who is a bond default or escape risk.

Sincerely yours,

Lawrence K. York
Assistant Director in Charge
Identification Division

U.S. Department of Justice
Federal Bureau of Investigation

Washington, D.C. 20537

Official Business
Penalty for Private Use $300

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Mr. DEMPSEY. Do you have any current statistics on what is the rate of disposition reporting? How many arrests are eventually followed up by a notation of disposition?

Mr. YORK. Well, the statistics we have are pretty much bulk statistics, as I mentioned, the 2.9 million dispositions received last year as compared to the 3.4 million criminal fingerprint cards.

In our automated system, we haven't really developed programs to go in and analyze the type of dispositions. It is difficult, for example, to resolve the situation where there is 1 arrest and 14 different charges. Two of those charges might be disposed of. We might receive a final disposition for those two charges, however, we still have 12 charges without dispositions. The answer is the only thing we have been able to do is to periodically sample just to see where we are. We are now in the process of trying to develop some kind of program to analyze and give us the data we need.

Several years ago prior to my arrival here, OTA did a study and I believe that their figures showed that 60 percent of our criminal histories have dispositions. I am not sure where we stand today.

Mr. DEMPSEY. One question on the III. When was the last time that a new State was added to the III?

Mr. NEMECEK. It has been approximately a year ago.

Mr. EDWARDS. Another question—this is for the Identification Division. In the budget materials submitted by the FBI, there is a statement that 95 percent of all incoming fingerprint cards are searched automatically. What does that mean if you do not have the capability of reading them automatically?

Mr. YORK. Right now just about 95 percent or very close to 95 percent of all of our incoming cards are searched, first of all, in our automated index or indices.

Mr. EDWARDS. On the basis of what?

Mr. YORK. Name, descriptors. At least 95 percent of the actual fingerprint cards themselves are searched through our automated fingerprint searching system—in other words, the minutiae data is actually analyzed and compared with minutiae data on file. So in total about 95 percent of all our work is searched automatically.

Mr. EDWARDS. But the initial determination of minutiae data is still done manually?

Mr. YORK. The initial classification is still done like it was done many years ago and that is the magnifying glass and the technicians.

Mr. EDWARDS. Of the 24,000 received per day, you don't have to classify what percentage because the record is identified without the classification process.

Mr. NEUDORFER. Approximately half of what we receive a day does not go through the minutiae process, but the classification is a manual process. The minutiae detection is a machine process and it takes both those items to initiate the fingerprint search system. So one of them is a manual process and the other is a machine process.

About half received per day goes through the machine process and then the automatic detection system.

Mr. EDWARDS. I would imagine that more of the cards arriving from criminal justice agencies would have other identifiers because the criminal crowd is involved. The cards that are sent in for State

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and local licensing and other authorized matters—practically all have to be classified—you wouldn't just pick one up. Most people applying for a job are not going to have criminal records; is that correct?

Mr. NEUDORFER. That is correct.

Mr. DEMPSEY. I have one more question.

With the cybernetic integrated investigative information system, Mr. Bayse's prepared statement refers to the integration of common functions currently existing in the existing investigative systems. Is there also an integration of common data bases that takes place here?

Mr. BAYSE. Yes. That would be part of the purpose—there was an internal audit done in the FBI in 1977 or so that pointed out a number of data bases which performed similar functions but were separate with attendant costs, that there needed to be an integration of both data and functionality and tighter controls put on that information and this is one of the aspects of that system which you just referenced, the integration of those.

Mr. DEMPSEY. Thank you.

Mr. BAYSE. I wanted to mention one other thing. We mentioned before whether data in the FBI files should be in NCIC. If information in an investigative case such as the identification of a fugitive met the standards for entry into NCIC, then it would be placed there, but I think what you were asking is whether there is a crossover between NCIC and the investigative data bases.

Mr. DEMPSEY. Yes.

Mr. BAYSE. Any information going into NCIC goes in discretely through the NCIC update path and it is under the performance standards. That is just a clarification.

Mr. DEMPSEY. Thank you.

Mr. EDWARDS. Thank you very much, all of you. You have been very helpful and you are coming along fine. We are really pleased with the reports that you have given us.

The committee is adjourned.

[Whereupon, at 11:10 a.m., the subcommittee adjourned.]

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APPENDIX

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, April 7, 1986.

Hon. WILLIAM H. WEBSTER,
Director, Federal Bureau of Investigation, J. Edgar Hoover Building, Washington, DC.

DEAR DIRECTOR WEBSTER: For inclusion in the record of the subcommittee's hearings on the Bureau's fiscal year 1987 authorization request, we would appreciate responses to the attached questions.

Thank you for your attention to these inquiries.

Sincerely,

DON EDWARDS,
Chairman, Subcommittee on Civil and Constitutional Rights.

Attachments.

FOLLOWUP QUESTIONS

RECRUITMENT

Please provide data for each of the past three years on the race and sex of applicants and new hires for the position of Special Agent. Please indicate the racial and sexual composition of the Bureau's current Special Agent force.

TERRORISM

First, please provide a list of the 23 terrorist incidents the Bureau prevented in 1985.

Second, among the incidents were 14 planned bombings of federal buildings. How many individuals were arrested in connection with these incidents and what has been the disposition of the charges against them?

VOICE PRIVACY SYSTEM

First, since 1981, the Bureau has received $72 million for installation of a voice privacy system to prevent its radio communications from being intercepted. Yet, only six of the Bureau's 59 field offices have received the equipment to date. Why has the project taken so long?

Second, what was the original projected cost of the project?

Third, what is the current projected cost?

Fourth, how will the decision to adopt a joint radio system for FBI, DEA and Marshals Service affect the schedule and cost for the program?

Fifth, will adoption of the joint system require modifications for already installed FBI equipment?

FINGERPRINT IDENTIFICATION

First, What has been the cost to date of the Bureau's effort to develop an automated fingerprint reader?

Second, what have been the results of that effort? Does the FBI currently have an automated fingerprint reading capability?

Third, what is the projected cost of the Bureau's current effort to develop an automated fingerprint reader?

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U.S. DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF INVESTIGATION,
Washington, DC, June 2, 1986.

Hon. DON EDWARDS,
Chairman, Subcommittee on Civil and Constitutional Rights, Committee on the Judiciary, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Reference is made to your letter of April 7, 1986 by which you requested responses to questions for inclusion in the record of the Subcommittee's hearings on the FBI's fiscal year 1987 authorization request. Please find enclosed the FBI's responses to those questions for the record.

Sincerely yours,

WILLIAM H. WEBSTER, *Director.*

Enclosure.

RECRUITMENT

Request: Please provide data for each of the past three years on the race and sex of applicants and new hires for the position of Special Agent. Please indicate the racial and sexual composition of the Bureau's current Special Agent force.

Response:

Fiscal year	Minorities tested	Minority EOD's [1]	Females tested	Female EOD's	Total tested	Total EOD's
1986 (through Feb. 26, 1986)	489	20	([2])	31	4,020	156
1985	1,890	73	2,104	92	15,263	465
1984	2,594	72	2,320	109	17,316	666

[1] Subcommittee note: EOD is an abbreviation for Entrance on Duty.
[2] Not available.

PERCENTAGE OF MINORITY AND WOMEN SPECIAL AGENTS

	Number of men	Percent of total	Number of women	Percent of total	Total group	Percent of total
White	7,539	91.0	566	87.1	8105	90.7
Black	310	3.7	43	6.6	353	3.9
Hispanic	316	3.8	31	4.8	347	3.9
American Indian	33	.4	4	.6	37	.4
Asian American	95	1.1	6	.9	101	1.1
Totals	8,293	100.0	650	100.0	8943	100.0
All minorities	754	9.0	84	12.9	838	9.3

TERRORISM

Question 1. Please provide a list of the 23 terrorist incidents the Bureau prevented in 1985.

Answer. During 1985 the FBI prevented a total of 23 planned terrorist incidents. For each claim of prevention, evidence was developed clearly indicating the intention and capability of a terrorist group to carry out a specific act of terrorist violence. The following incidents were prevented:

Fourteen bombings of targets in the Washington, D.C. and Northeast United States areas were prevented by the arrest in May 1985 of members of domestic terrorist groups who had been using the name Armed Resistance Unit. Subsequent to the arrests, safehouse searches yielded evidence of well-advanced plans to bomb locations such as the Old Executive Office Building, the United States Naval Academy, and Fort Belvoir, Virginia. (14)

In November 1984 the FBI received information that a group of Indian Sikhs were interested in receiving training in the use of firearms and explosives to cause the revolutionary overthrow of the government of India. An undercover operation was mounted which succeeded in thwarting plots to assassinate the Prime Minister of India, who was visiting the United States, and a high ranking Indian Government

minister who was receiving medical treatment in New Orleans as well as a plot to bomb strategic locations in India. The FBI investigation led to the arrest of five Sikhs. (3)

In December 1984, the FBI received information that a Libyan national had entered the United States and tasked other pro-Qadhafi students in the United States to initiate a program of violence against Libyan dissidents. Subsequent FBI investigation resulted in the expulsion by the United States Department of State of a Libyan diplomat assigned to the United Nations. This action resulted in preventing at least three separate planned terrorist incidents. (3)

In May 1985, the FBI learned of a plot by the rightwing group "Aryan Nations" to murder cooperating witnesses and a newspaper reporter who had been furnishing and/or publishing information relating to the terrorist activities of "The Order." An FBI undercover operation succeeded in preventing these murders and led to the arrest and conviction of the plotters. (3)

Question 2. Among the incidents were 14 planned bombings of federal buildings. How many individuals were arrested in connection with these incidents and what has been the disposition of the charges against them?

Answer. To date, no charges have been brought in connection with the 14 planned bombings which were prevented in 1985. Between November 1984 and May 1985, however, seven individuals including Black Liberation Army member Marilyn Jean Buck; May 19 Communist Organization members or associates Linda Sue Evans, Alan Berkman, Elizabeth Ann Duke, Timothy Blunk, and Susan Rosenberg; and former Weather Underground Organization member Laura Jean Whitehorn were arrested on various charges. Buck, Rosenberg, and Berkman had been fugitives as a result of their involvement in the 1981 attempted robbery of a Brinks truck which left three dead. Evidence seized during searches conducted subsequent to these arrests strongly indicates these individuals were affiliated with a group which went by various names including the Red Guerrilla Resistance and the Armed Resistance Unit. A series of bombings in Washington, D.C. and New York was claimed in the name of this group.

Since no charges have yet been brought in this matter relating to the prevented bombings, it would be premature to provide further details regarding this on-going investigation.

Voice Privacy System

Question 1. Since 1981, the Bureau has received $72 million for installation of a voice privacy system to prevent its radio communications from being intercepted. Yet, only six of the Bureau's 59 field offices have received the equipment to date. Why has the project taken so long?

Answer. The first voice privacy system contract was awarded in 1982 which provided for a complete voice privacy system for the FBI's Los Angeles Division and additional voice privacy systems for surveillance squads in 21 other Field Offices. To-date, the FBI has voice privacy equipment in varying amounts in 55 FBI Divisions. One Division (Los Angeles) has a complete system. Five major Divisions, Boston, New York, Washington Field, Chicago and Miami, are near completion of their systems.[1] Equipment has been shipped to 17 additional Divisions and installations are presently underway. The remaining Field Offices have received some equipment for their Organized Crime/Drug Enforcement (OCDE) Task Forces.

Installation of a complete voice privacy system is a lengthy process due to the complexity of the systems, the time involved in physically modifying Field Office space, the often extended process of identifying and obtaining suitable radio equipment sites, and the amount of time necessary to test and optimize the system.

Question 2. What was the original projected cost of the project?

Answer. The original projected cost of the project was $132,000,000 based upon the cost of the Los Angeles System. The cost estimate was later revised upward to $204,000,000 based upon experience gained in designing systems for five additional FBI offices.

Question 3. What is the current projected cost?

Answer. The current projected cost of the project is $204,000,000. This does not include any additional costs associated with integrating the FBI, DEA, and Marshals Service.

Question 4. How will the decision to adopt a joint radio system for FBI, DEA, and Marshals Service affect the schedule and cost for the program?

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[1] These six divisions account for three-eighths of the FBI's investigative personnel.

Answer. The FBI is continuing on schedule with design and acquisition of equipment for FBI voice privacy radio systems. Simultaneously, the operational and functional requirements to integrate DEA and the Marshals Service radio communications needs with the FBI systems are being evaluated. Based upon this analysis, it is expected that some modifications and extension of the FBI systems will be necessary to meet integrated needs. This will have an effect on the overall program schedule and cost; the extent of which is awaiting results of the ongoing analysis.

Question 5. Will adoption of the joint system require modifications for already installed FBI equipment?

Answer. Adoption of a joint voice privacy radio system will require modification to FBI systems presently installed. Since the divisions among the three agencies which will be integrated are not identical geographically, it will be necessary to join microwave systems between FBI divisions to meet operational and technical imperatives. To provide internal security, it will be necessary to install additional encode/decode devices for each agency. Also to provide channel space on existing microwave systems, it will be necessary to use wireline modems or increase the necessary bandwidth on systems presently licensed through Interdepartment Radio Advisory Committee (IRAC). Additional VHF channels will be required to integrate the three agencies.

Fingerprint Identification

Question 1. What has been the cost to date of the Bureau's effort to develop an automated fingerprint reader?

Answer. Based on the information previously supplied to the Subcommittee on Civil and Constitutional Rights, indications are that this question is addressing the development of a second generation fingerprint reader capable of performing automatic fingerprint classification, as well as minutiae reading. This is the Identification Division's (ID's) Automatic Classification System project, or ACS, which has proceeded in two time periods. In the time period 1975–78, the FBI sponsored contract work with Rockwell International to build five production model fingerprint readers. While the fingerprint readers were under construction, an attempt was made to see if automatic classification could be added to that first generation reader. In 1978, the work was evaluated and a decision made that the results could not support automatic classification of the FBI's large file and heavy workload. It was apparent that a new, second generation reader would be required to supply sufficient data to support the successful development of the automatic classification capability. This 1975–78 ACS effort cost a total of $809,624.

In 1983, the FBI ID started the development of that second generation reader, and has spent $786,000 to date. The budgetary situation in late fiscal year (FY) 1985 and fiscal year 1986 has prevented committing any additional funds toward completion of this project.

Question 2. What have been the results of that effort? Does the FBI currently have an automated fingerprint reading capability?

Answer. The 1975–78 contract with Rockwell International resulted in the development of five production automatic fingerprint readers for the Identification Division (ID). However, the readers did not provide sufficient fingerprint image resolution to make automatic classification reliable for the file size and workload at the FBI. In 1983, the ID started development of the second generation reader specifically designed to do automatic classification. The results of the work so far indicate that improved fingerprint image processing techniques can be developed and look promising for the development of an automatic classification capability. The results show that the work should proceed. However, funds are not available in fiscal years 1986 and 1987 to continue this work.

At present, the FBI is reading and automatically searching over 95 percent of its daily workload of fingerprint card searches using its first generation fingerprint readers. However, classification of fingerprints is still done by fingerprint technicians, rather than machines.

Question 3. What is the projected cost of the Bureau's current effort to develop an automated fingerprint reader?

Answer. The current Automated Classification System project to develop a second generation fingerprint reader can be viewed as being made up of four distinct parts. The first part, development of advanced image processing techniques, has been completed. The second part will be development of techniques for automatic fingerprint classification, and is estimated to cost $3,000,000. The third part, and the development of a prototype device for test and evaluation, will cost about $3,500,000. The final part, the acquisition of the actual producution readers, is estimated to cost

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$10,000,000; for a total of $16,500,000 for this project. It should be recognized that a part, about $9,000,000, of the cost of the production readers will be incurred in any event because new readers will be required to replace the current fingerprint readers, which will have been operated for 15–18 years by the time of their replacement.

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